



## OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

### REPORT OF INVESTIGATION CASE NUMBER: 2013-0005

Sheryl G. Steckler  
Inspector General

*"Enhancing Public Trust in Government"*

#### EXECUTIVE SUMMARY

The Office of Inspector General (OIG) received an anonymous complaint alleging that City of West Palm Beach (the City) Mayor Geraldine "Jeri" Muoio appointed members to the City's Affordable Housing Advisory Committee<sup>1</sup> (AHAC) in violation of Section 420.9076(2), Florida Statutes (F.S.), which states, in part, the following:

*"The governing board of a county or municipality shall appoint the members of the affordable housing advisory committee by resolution."*

Based on this information, the OIG initiated an investigation on February 25, 2013.

#### FINDINGS

The allegation that City of West Palm Beach Mayor Geraldine "Jeri" T. Muoio appointed members to the City's Affordable Housing Advisory Committee even though Florida Statutes require that the appointments are to be made by the "governing board" of a municipality by "resolution" is **supported**. Mayor Muoio confirmed that she made the appointments to the Affordable Housing Advisory Committee. The OIG review determined that those appointments were not made by resolution of the City Commission as required by § 420.9076(2), F.S.

It is further noted that the OIG discovered that Agenda Cover Memorandum (ACM) #18731 dated December 12, 2011, which was used to brief the City Commission about the attached Resolution #319-11, contained inaccurate information related to AHAC. ACM #18731, reviewed and approved by the City's Legal Department, advised the City Commission that rather than the City Commission, the Mayor had the authority to appoint the AHAC members. The OIG's review of House Bill 1375 and Florida Statutes revealed that the House Bill only increased the number of AHAC appointees from nine to eleven and did not change the statutory requirement<sup>2</sup> that "the governing board of a county or municipality shall appoint the members of the affordable housing advisory committee by resolution."

<sup>1</sup> The Affordable Housing Incentive Plan is adopted by the City Commission and submitted to the State of Florida, which includes recommendations made by AHAC. AHAC appointees are responsible for making recommendations on policy, programs, and procedures to assist the City in furthering its affordable housing incentives.

<sup>2</sup> Reference § 420.9076(2), F.S.

**ALLEGATION AND FINDINGS****Allegation:**

***City of West Palm Beach Mayor Geraldine “Jeri” T. Muoio appointed members to the City’s Affordable Housing Advisory Committee even though Florida Statutes require that the appointments are to be made by the “governing board” of a municipality by “resolution.” If supported, the allegation would constitute a violation of § 420.9076(2), F.S.***

**Finding:**

The information obtained **supports** the allegation.

**According to the OIG’s review of AHAC records, the following pertinent information was revealed:**

- On October 13, 2011, 11 individuals<sup>3</sup> received appointment letters, signed by Mayor Muoio, stating “I am happy to advise you that you have been appointed to the City’s Affordable Housing Advisory Committee...”

**Statement of Imogene Isaacs, former West Palm Beach Internal Auditor**

Ms. Isaacs advised that while conducting a review of City agenda items, she came across Agenda Cover Memorandum (ACM) #18731 (December 12, 2011) with the attached City Resolution #319-11. Ms. Isaacs stated that it was concerning to her that ACM #18731 seemed to suggest to the City Commission that House Bill 1375 required the Mayor to appoint the AHAC members.

Ms. Isaacs explained that she subsequently reviewed § 420.9076(2), F.S., and it was her opinion that ACM #18731, and the attached City Resolution #319-11, were inaccurate. According to Ms. Isaacs’ interpretation of § 420.9076(2), F.S., the City Commission (“governing board”) was responsible for appointing the AHAC committee members, not Mayor Muoio. Ms. Isaacs stated that she met with Senior Assistant City Attorney Samuel Thomas<sup>4</sup> (sometime prior to January 18, 2012), who signed off on ACM #18731, to discuss her concerns. According to Ms. Isaacs, Mr. Thomas had no responses to her inquiries, which included questions about Mayor Muoio’s improper appointments, as well as why a House Bill would be referenced in an ACM instead of the actual Florida Statute. Ms. Isaacs stated that following her meeting with Mr. Thomas, she sent a memorandum<sup>5</sup> to City Attorney Claudia McKenna (January 18, 2012); however, Ms. McKenna never responded to her.

**Statement of Samuel Thomas, West Palm Beach Senior Assistant City Attorney**

Mr. Thomas advised that he is assigned to provide legal services to the City’s Housing and Community Development (HCD) Department and that AHAC works with HCD. Mr.

<sup>3</sup> Those individuals were identified as Suzanne Cabrera, Kirk Beerthuis, James Chamberlin, Gregg Weiss, Eric Sain, Zachary Cassidy, Bernard Godek, Huntley Miller, Joseph Peduzzi, Rosalind Halstead, and William Jenness.

<sup>4</sup> According to Ms. Isaacs, as well as Mr. Thomas, he was assigned to the City’s Housing Department as their attorney.

<sup>5</sup> The memorandum included ACM #18731 and its attached Resolution #319-11.

Thomas stated that the “governing body” of the City was the Mayor and the City Commission; however, Mr. Thomas was not aware as to who or whom was responsible for making the appointments to AHAC. Mr. Thomas stated that Mayor Muoio did not consult with him prior to making these appointments, but indicated that he does not get involved with that process for any of the various City boards or committees.

Mr. Thomas acknowledged his signature on ACM #18731, but did not remember having any meeting and/or conversation with Ms. Isaacs and/or Ms. McKenna concerning Mayor Muoio’s appointments to AHAC, nor did he have any “independent recollection” of his approval of ACM #18731. Mr. Thomas stated that he did not prepare ACM #18731, as that was possibly HCD’s responsibility, but explained that he typically reviews these types of documents for “legal sufficiency.” According to Mr. Thomas’ explanation, a review for “legal sufficiency” was an assessment of problems or items that needed to be corrected. Upon Mr. Thomas’ cursory review of ACM #18731, he indicated that “nothing jumped out at him as a problem.” When asked if he was aware of the Florida Statute addressing appointments to AHAC, Mr. Thomas stated that he “did not have the occasion” to review that particular statute.

#### **Statement of Claudia McKenna, West Palm Beach City Attorney**

Ms. McKenna explained that the City Commission is the City’s “governing body” and that it is composed of the Mayor and the five City Commissioners. Ms. McKenna confirmed that it was Mayor Muoio who appointed the AHAC committee members on October 13, 2011; however, Ms. McKenna explained that it was the City Commission that approved those appointments through City Resolution #319-11 (passed and adopted on December 12, 2011). According to Ms. McKenna, although the City Commission did not make the actual appointments, when the City Commission adopts a Resolution they are adopting everything that is recited in the Resolution, along with its attachments. Ms. McKenna further stated that § 420.9076, F.S. “is not concerned with the procedure” that was used in making the appointments, but that the City Commission approves the members of that committee (AHAC). Ms. McKenna stated that there was nothing in Florida Statutes advising how to make the appointments, but only requires that the “governing body” approve those appointments. Ms. McKenna added that the City Commission could have rejected Mayor Muoio’s appointments, but approved the appointments through City Resolution #319-11.

Upon reviewing Ms. Isaac’s January 18, 2012 memorandum, addressed to Ms. McKenna, concerning Mayor Muoio’s appointments, Ms. McKenna stated that she did not recall seeing this memorandum, but could not say that she did not receive it. Furthermore, Ms. McKenna stated that she could not recall discussing and/or meeting with Ms. Isaacs or Mr. Thomas concerning this matter.

According to the OIG's review of ACM #18731 and City Resolution #319-11, the following pertinent information was revealed:

- ACM #18731 dated December 12, 2011, states that "As required by [House] Bill 1375, the Mayor appointed the City's 11 member Affordable Housing Advisory Committee..."

*The OIG notes that ACM #18731 advises the City Commission that the Mayor, rather than the City Commission has this responsibility. House Bill 1375 only increased the number of AHAC appointees from nine to eleven and did not change the requirement that "The governing board of a county or municipality shall appoint the members of the affordable housing advisory committee by resolution."*<sup>6</sup>

- City Resolution #319-11 presented to the City Commission states "**WHEREAS**, eleven members were [emphasis added] appointed to an Affordable Housing Advisory Committee..."<sup>7</sup> Furthermore, the Resolution states that the City Commission, by approving this Resolution:
  - "...accepts the recommendations<sup>8</sup> of the Affordable Housing Advisory Committee..."

*The OIG notes that Ms. McKenna stated that the City Commission could have rejected Mayor Muoio's appointments, but approved the appointments through City Resolution #319-11. However, throughout the entire Resolution, there is no mention of the City Commission's approval of Mayor Muoio's appointments, only a statement that the appointments were already made. Furthermore, the Resolution was not presented until December 12, 2011, which was two months after the appointments were made by Mayor Muoio and nearly one month after the appointees completed their assignment.*

#### **Statement of Geraldine "Jeri" T. Muoio, West Palm Beach Mayor**

Mayor Muoio advised that she served as a City Commissioner from 2006 until her election as the Mayor in March 2011. Mayor Muoio advised that the City's "governing board" was a "strong Mayor form of government with a City Commission." Mayor Muoio added that the Mayor was the Chief Executive Officer (CEO), but that the Mayor and the City Commissioners make up the "governing board."

Mayor Muoio explained that "it's standard practice that the Mayor appoints members of the [City] Boards and Committees." Mayor Muoio added that there are approximately

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<sup>6</sup> It is noted that although the number of members on this committee have changed, the requirement for the governing board to make the appointments by resolution has not.

<sup>7</sup> It is noted that on October 13, 2011, each of the eleven appointees received their appointment letters from Mayor Muoio.

<sup>8</sup> AHAC appointees are responsible for making recommendations on policy, programs, and procedures to assist the City in furthering its affordable housing incentives.

27 City Boards and Committees and all are appointed by her after reviews by the Nominating Committee.<sup>9</sup>

Mayor Muoio was unable to recall whether or not she consulted with anyone in the City's Legal Department prior to making her appointments; however, Mayor Muoio added that she was "the CEO of the City," and reiterated that she made these appointments on her own, which was the City's practice. Mayor Muoio believed that the City had a written policy concerning Board and Committee appointments.<sup>10</sup>

Mayor Muoio indicated that she was not aware that House Bill 1375 (which was referenced in ACM #18731), only changed the number of AHAC appointees and not the statutory requirement that the "governing board" of a municipality make the appointments by resolution. Mayor Muoio stated that since making the October 2011 AHAC appointments, no one has indicated to her that the appointments did not conform to statutory requirements, nor was she aware that Ms. Isaacs notified Ms. McKenna and/or others in the City's Legal Department. Mayor Muoio stated that she did not recall "this whole process, the appointments, or anything." Mayor Muoio indicated that it was possible that the appointments did go to the "governing board," but she did not know if it was a requirement for her AHAC appointments to go to the City Commission.

*It is noted that the OIG reviewed the prior AHAC appointments and found that those appointments were made by the City Commission, not the Mayor, under City Resolution #334-08 (July 28, 2008). It is further noted that Mayor Muoio was a member of the City Commission at that time.*

*In contrast to City Resolution #319-11, the 2008 Resolution was not for the purpose of approving AHAC's recommendations. It was solely a Resolution for the purpose of the City Commission appointing AHAC members. A second City Resolution (#77-09) was passed on March 9, 2009 approving the appointees' work product.<sup>11</sup>*

## RECOMMENDED CORRECTIVE ACTIONS

Based on the Findings, the OIG makes the following Corrective Action Recommendations:

1. Since the current Affordable Housing Advisory Committee is no longer active,<sup>12</sup> implement a procedure to ensure that any new appointments to this Committee are done in accordance with the law.

<sup>9</sup> According to Mayor Muoio, the Nominating Committee is comprised of a group of citizens who review résumés of prospective City Board or Committee members. The Nominating Committee then makes recommendations to her for the appointment(s).

<sup>10</sup> Ms. McKenna provided the OIG with a copy of Section 3.01(5), of Article III of the City Ordinances, which states that the Mayor shall "Appoint and remove the members of boards, committees and commissions, as provided herein, by ordinance or by law."

<sup>11</sup> Mayor Muoio was a member of the City Commission when City Resolution #77-09 was passed.

<sup>12</sup> AHAC was dissolved on August 6, 2012 after their recommendations were completed and presented to the City Commission. According to Mayor Muoio, AHAC will be reinstated as required by the Local Housing Assistance Program.

**ARTICLE XII, SECTION 2-427**

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, on April 1, 2013, Mayor Muoio was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this Investigative Report within ten (10) calendar days. On April 10, 2013, Mayor Muoio provided the following quoted response, in pertinent parts (*Mayor's Muoio's response is attached in its entirety*):

In Mayor Muoio's four page response to the OIG, while acknowledging that State law (§ 420.9076(2), F.S.) requires the members of AHAC to be appointed by the City's "governing board," and that she is not the governing board, advances three primary assertions:

1. The Mayor asserts that her 2011 appointments were made in compliance with § 420.9076(2), F.S. because a 2006 Resolution of the City Commission (#111-06) specifies that the members of AHAC are to be "appointed by the Mayor and approved by the City Commission."

**OIG Response:** The 2011 appointments were not made in compliance with State law. State law on this point, which requires the members of AHAC to be appointed by the City Commission, preempts any municipal resolution to the contrary.

Moreover, the 2011 appointments did not even comply with the requirements of the 2006 Resolution, in that the members of AHAC were appointed solely by the Mayor and completed the performance of their duties without any "approval" of their appointments by the City Commission.

It should be noted that prior to 2011, and after the enactment of Resolution #111-06, the City's AHAC appointments were made in compliance with State law. On July 28, 2008, the City Commission passed Resolution #334-08, in which the City Commission appointed the AHAC members. Those members then went to work, accomplished their assignments, and presented their recommendations to the City Commission. Following that, on March 9, 2009, the City Commission passed Resolution #77-09, in which it adopted AHAC's recommendations.

2. The Mayor states that the City Commission, on December 12, 2011, in adopting Resolution #319-11, "acknowledged the appointment of" AHAC members.

**OIG Response:** Whether or not the City Commission "acknowledged" the appointment of the AHAC members is not an issue. State law requires that the "governing board," which is the City Commission, make the appointments. This did not even comply with the requirement in City Resolution #111-06 that the City Commission "approve" all appointments.

3. The Mayor states that the representation to the City Commission in the December, 2011 ACM #18731, which states that "as required by . . . [state law] . . . the Mayor



appointed the City's 11 member Affordable Housing Advisory Committee" was not misleading.

**OIG Response:** ACM #18731, as indicated in the Report, clearly states that "As required by [House] Bill 1375, the Mayor appointed the City's 11 member Affordable Housing Advisory Committee..." § 420.9076(2), F.S. clearly states that "The governing board of a county or municipality shall appoint the members of the affordable housing advisory committee by resolution."



*"The Capital City of the Palm Beaches"*

GERALDINE "JERI" MUOIO  
Mayor  
P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/822-1400  
Fax: 561/822-1424

April 10, 2013

Donald J. Balberchak  
Director of Investigations  
Office of Inspector General  
P.O. Box 16568  
Palm Beach County  
West Palm Beach FL 33416

Dear Mr. Balberchak:

An anonymous complaint claims that I, as mayor, appointed members to the City's Affordable Housing Assistance Committee in violation of 420.9076(2) of the Florida Statutes. I respectfully disagree with the complainant and with the Inspector General's draft report stating that the complaint is "supported." No violation of state law occurred.

The City of West Palm Beach participates in the State Housing Initiatives Partnership Program (SHIP) which was established by Chapter 420, Florida Statutes. The State of Florida grants funds to local governments to help provide affordable housing to eligible residents. The purpose of the advisory committee is to assist participating counties and municipalities by making recommendations to the local government regarding its local housing assistance plan (LHAP). Section 420.9076(2) states:

**The governing board of a county or municipality shall appoint the members of the affordable housing advisory committee by resolution.** Pursuant to the terms of any interlocal agreement, a county and municipality may create and jointly appoint an advisory committee to prepare a joint plan. The ordinance adopted pursuant to s. 420.9072 which creates the advisory committee **or the resolution appointing the advisory committee members must provide for 11 committee members and their terms.** (Emphasis supplied.)

The "governing board" of the City of West Palm Beach is the City Commission. Pursuant to Section 2.01 of the City's Charter, as Mayor, I am a member of the City Commission. Section 2.01 provides in pertinent part.

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The City Commission shall consist of five (5) City Commissioners **and a** Mayor who are elected at-large on a nonpartisan basis. (Emphasis supplied.)

On February 13, 2006, by Resolution No. 101-06, the City Commission established the procedure for appointment of members of the City's affordable housing assistance committee. Section 4 of the Resolution, entitled "Affordable Housing Commission," states:

A. MEMBERS. The commission shall consist of 7 members appointed by the Mayor and approved by the City Commission.

On October 23, 2006, by Resolution No. 485-06, the City Commission expanded the number of members of the committee from seven to eleven. The procedure for appointment was not changed. Resolution No. 486-06 provides in pertinent part:

**WHEREAS**, the City Commission authorized the structure and operation of the Affordable Housing Commission to consist of 7 members appointed by the Mayor and approved by the City Commission ...

and

A. MEMBERS. The commission shall consist of 7 11 members appointed by the Mayor and approved by the City Commission.

Copies of both resolutions are attached to this response.

Section 420.9076(4), Florida Statutes, requires that every three years the advisory committee review the established policies and procedures, ordinances, land development regulations and adopted local government comprehensive plan of the appointing local government. A review of the City's relevant materials was due in 2011.

On October 13, 2011, I sent letters to each of the proposed members of the affordable housing advisory committee advising them of their appointment. I provided copies of the letters of appointment to the City Commission. A sample of the letter is attached to this response.

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Director of Investigations  
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On December 12, 2011, the City Commission adopted Resolution No. 319-11. The resolution acknowledged the appointment of the eleven members of the advisory committee. More importantly, Exhibit A of the resolution, expressly states on Page 1:

The governing board of the municipality shall appoint an (sic) eleven (11) members to the Affordable Housing Advisory Committee (AHAC) for a term of three years. The types of members are outlined in s. 420.9072. The City of West Palm Beach has reconstituted this board for this triennial review of the incentives.

Included on Page 1 of Exhibit A is the list of the eleven members of the committee and their required expertise according to the statute.

The Inspector General's draft report suggests that I attempted to mislead the City Commission by the agenda cover memorandum for Resolution No. 319-11 which states: "[A]s required by HR Bill 1375, the Mayor appointed the City's 11 member Affordable Housing Advisory Committee." The Inspector General reads this sentence to mean that the drafter is telling the City Commission that the legislation requires the mayor to appoint the advisory committee. While I did not draft the agenda cover memorandum, I am certain the drafter was telling the City Commission that the house bill required eleven members for an advisory committee, not that mayors are required to make the appointments.

If the complaint was that there was too much time between the October 13, 2011 letter from me appointing the advisory committee and the December 12, 2011 approval by the City Commission, I think that would be a fair criticism. It is clear, however, that as of October 13, 2011, the City Commission was aware of who were the members of the advisory committee and those members were approved by Resolution No. 319-11 adopted by the City Commission on December 12, 2011.

Everything relating to the advisory committee and the City's local housing assistance program was done in public and approved by the City Commission at public meetings. I am happy to inform the citizens of West Palm Beach who will read the final report of this complaint that the City's Local Housing Assistance Plan (LHAP) for 2012-2015 was approved by the State of Florida on September 8, 2012.

The LHAP was approved by the City Commission by Resolution No. 200-12 adopted on August 8, 2012. On Page 27 of Exhibit A attached to the resolution, the LHAP states:

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Director of Investigations  
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On December 12, 2011, the City Commission adopted the Affordable Housing Incentive Plan (AHIP). The Plan was previously reviewed by the City's Affordable Housing Advisory Committee and it provides many incentives for affordable housing opportunities.

I am proud of the fact that the City's affordable housing strategies include: residential housing rehabilitation; purchase assistance; foreclosure prevention strategies; rental-eviction protection; multi-family rental housing assistance and disaster relief assistance. These strategies, with the aid of the SHIP funds received from the state, will assist City residents and families of very low, low and moderate incomes.

Pursuant to the City's charter, I am responsible for appointment and removal of the members of boards, committees and commissions, except as provided by law. Since taking office, I have signed dozens of appointment letters. It is unfortunate that there was any question regarding the appointment of the City's affordable housing advisory committee. There can be no doubt, however, that the City followed the procedure established by resolution of the City Commission in 2006, and confirmed by resolution of the City Commission in 2008. I, as a member of the governing board, appointed the members of the advisory committee, and the City Commission, by resolution adopted at a public meeting, approved those appointments. No violation of state law occurred.

Sincerely,



Geraldine (Jeri) Muoio  
Mayor

**RESOLUTION NO. 101-06**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, AUTHORIZING CREATION OF THE CITY'S AFFORDABLE HOUSING AND WORKFORCE HOUSING PROGRAM; ESTABLISHING THE AFFORDABLE HOUSING TRUST FUND; AUTHORIZING THE CREATION OF AN AFFORDABLE HOUSING COMMISSION; PROVIDING THE DEFINITION OF ATTAINABLE HOUSING AND WORKFORCE HOUSING; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

**WHEREAS**, the City Commission has determined that there is a shortage of housing within the City of West Palm Beach that is affordable to the everyday working families and citizens; and

**WHEREAS**, the City Commission recognizes that there is a growing gap between housing costs and wages in the City; and

**WHEREAS**, the City recognizes that the need to provide affordable housing is critical to maintaining a diversified and sustainable City having the character and sense of community where people can live and work in the same area; and

**WHEREAS**, the City encourages the production and availability of affordable housing and at the same time is cognizant that escalating land costs and rapidly diminishing amounts of land hinder the provision of sufficient affordable dwelling units by the private sector; and

**WHEREAS**, the City of West Palm Beach has a legitimate public interest in preserving the character and quality of neighborhoods which requires assuring the availability of affordable housing for low and moderate income persons in the City, and

**WHEREAS**, Attainable and Workforce housing is needed by the citizens of West Palm Beach and Florida Statutes 166.04151 provides that a municipality may adopt and implement any resolution that is adopted for the purpose of increasing the supply of affordable housing; and

**RESOLUTION NO. 101-06**

**WHEREAS**, the City Commission finds that this Resolution is consistent with the Comprehensive Plan.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA that:**

**SECTION 1:** DEFINITIONS:

- A. Affordable Housing shall mean Attainable Housing and Workforce Housing as defined below.
  - 1. ATTAINABLE HOUSING shall mean housing affordable to households having a combined income of 50% and not more than 120% of the area adjusted median income to be determined annually and published by the Housing and Urban Development Department (HUD); where the rent or mortgage monthly payment is less than 35% of the households gross monthly income.
  - 2. WORKFORCE HOUSING shall be defined as housing that is affordable to households having a combined income of 121% and not more than 150% of the area adjusted median income to be determined annually and published by the Housing and Urban Development Department (HUD); where the rent or mortgage monthly payment is less than 35% of households gross monthly income.
  - 3. COMPREHENSIVE HOUSING PROGRAM shall mean the City's Affordable, Attainable and Workforce Housing Program.

**SECTION 2:** AFFORDABLE HOUSING PROGRAM. The City Commission hereby authorizes and directs the creation of a City of West Palm Beach Comprehensive Housing Program. The program shall include:

- A. The creation of an Affordable Housing Trust Fund (the "Trust Fund") in accordance with the provisions of Section 3 below;
- B. Development of a plan to encourage private contributions to the Trust Fund;
- C. Development of a plan that expands and encourages private investment in housing rehabilitation;
- D. Identification of additional funding sources for deposits in the Housing Trust Fund; and
- E. Creation of an Affordable Housing Commission in accordance with the provisions of Section 4 below.



**RESOLUTION NO. 101-06**

**SECTION 3: AFFORDABLE HOUSING TRUST FUND.**

- A. There is hereby created an Affordable Housing Trust Fund.
- B. The Affordable Housing Trust Fund shall comply with all applicable federal, state and local laws governing the establishment and operations of the Trust Funds. All recipients of any funds from the Affordable Housing Trust Fund shall comply with all applicable federal, state and local laws relating to the receipt and use of such funds.
- C. All funds deposited in the Affordable Housing Trust Fund shall be deposited in a separate and segregated account and shall be dedicated solely to the development and preservation of affordable housing. These funds will be administered and disbursed as provided in the City's Affordable Housing Program. Any funds that remain uncommitted at the end of the City's fiscal year (including interest, other earned income, or repayments on loans) shall remain in the Trust Fund and shall be used for the purposes hereof during the next fiscal year.

**SECTION 4: AFFORDABLE HOUSING COMMISSION.** The City Commission authorizes the creation of an Affordable Housing Commission. The structure and operation of the commission shall include by not be limited to the following:

- A. **MEMBERS.** The commission shall consist of 7 members appointed by the Mayor and approved by the City Commission. The membership shall consist of the following:
  - 1. One member from the financial or banking industry.
  - 2. One member representing the labor industry.
  - 3. One member representing the real estate industry.
  - 4. Two member from organizations that promote, preserve or advocate on issues relating to affordable housing.
  - 5. Two members from the community at large.
- B. **FUNCTIONS.** The functions of the Affordable Housing Commission shall include but shall not be limited to the following;
  - 1. The Affordable Housing Commission shall be authorized to establish a development loan program and a grant program. In addition, the Affordable Housing Commission shall be authorized to create, sponsor, and promote such other and further programs and services designed to develop and preserve affordable housing in the City of West Palm Beach including but not limited to, education, consulting and technical support.
  - 2. The Affordable Housing Commission shall be authorized to establish low interest loans, no interest loans, and forgivable loans and grants to housing developers, property owners and tenants to

**RESOLUTION NO. 101-06**

promote the development and preservation of affordable housing in the City of West Palm Beach. All funding made hereunder shall be administered in a manner to promote neighborhood stabilization, and shall contain, where appropriate, reasonable conditions and restrictions on and provision for the oversight of tenants and landlords. Guidelines for the award and administration of funds shall be adopted by the City Commission.

3. The Affordable Housing Commission shall review all applications made by any entity, public, private or individual seeking funds from the Affordable Housing Trust Fund.
4. The Affordable Housing Commission shall the authority to establish written standards, rules and regulations governing the use of funds in the Affordable Housing Trust Fund.
5. All rules, regulations, programs, policies or procedures developed by the commission shall be approved by the City Commission as a condition precedent to their becoming effective.
6. Any award of funds, guaranty, pledge or obligation of the commission, or any disbursements from the Affordable Housing Trust Fund shall be approved by the City Commission as a condition precedent to its becoming effective.

**SECTION 5:** The City Administrator and the City's Director of Finance are hereby authorized to do all things necessary to implement the provisions of this Resolution

**SECTION 6:** This Resolution shall take effect as provided by law.

PASSED AND ADOPTED THIS 13<sup>th</sup> DAY OF February, 2006.

(CORPORATE SEAL)

CITY OF WEST PALM BEACH  
BY ITS CITY COMMISSION

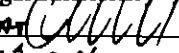
ATTEST:

  
PRESIDING OFFICER

  
Deputy CITY CLERK

CITY ATTORNEY'S OFFICE

Approved as to form  
and legal sufficiency

By:   
Dated: 2-10-06

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, AMENDING SECTION 4 (A) OF RESOLUTION NO. 101-06 TO INCREASE THE NUMBER OF MEMBERS ON THE AFFORDABLE HOUSING COMMISSION FROM SEVEN (7) TO ELEVEN (11) MEMBERS; DESIGNATING THE FOUR (4) ADDITIONAL MEMBERS AS "AT LARGE" MEMBERS; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

\* \* \* \* \*

**WHEREAS**, the City Commission has determined that there is a shortage of housing within the City of West Palm beach that is affordable to the everyday working families and citizens; and

**WHEREAS**, the City encourages the production and availability of affordable housing and at the same time is cognizant that escalating land and construction costs hinder the production of sufficient affordable housing units by the private sector; and

**WHEREAS**, the City, recognizing the need to provide affordable housing to maintain a diversified and sustainable City having the character and sense of community where people can live and work, passed resolution 101-06 on February 13, 2006 which authorized the creation of an Affordable Housing Commission; and

**WHEREAS**, the City commission authorized the structure and operation of the Affordable Housing Commission to consist of 7 members appointed by the Mayor and approved by the City Commission as follows:

1. One member for the financial or banking industry.
2. One member representing the labor industry.
3. One member representing the real estate industry.
4. Two members from organizations that promote, preserve or advocate on issues relating to affordable housing.
5. Two members from the community at large.

Further, the City commission authorized this Affordable Housing Commission to establish a development loan program and a grant program, create, sponsor and promote other programs and loan programs designed to develop and preserve affordable housing in the City of West Palm Beach; and

**WHEREAS**, the Affordable Housing Commission, after formation, has determined that the City would be better served by adding four (4) additional "At Large" members to ensure a quorum and increase the view and contribution of its membership; and

**WHEREAS**, the City Commission finds that increasing the size of the Commission is a

**RESOLUTION NO. 485-06**

legitimate public interest and will help assure the availability of affordable housing to the workforce of the City of West Palm Beach.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA that:**

**SECTION 1:** Section 4 of Resolution No. 101-06 is amended as follows:

**AFFORDABLE HOUSING COMMISSION.** The City Commission authorizes the creation of an Affordable Housing Commission. The structure and operation of the commission shall include by not be limited to the following:

- A. **MEMBERS.** The commission shall consist of ~~7~~ **11** members appointed by the Mayor and approved by the City Commission. The membership shall consist of the following:
1. One member from the financial or banking industry.
  2. One member representing the labor industry.
  3. One member representing the real estate industry.
  4. Two members from organizations that promote, preserve or advocate on issues relating to affordable housing.
  5. ~~Two~~ **Six** members from the community at large.

**SECTION 2:** Other than as provided herein all other provisions of Resolution No. 101-06 remain unchanged and in full force and effect.

**SECTION 3:** Upon execution by the Mayor and Attestation by the City Clerk, the City Clerk is hereby directed to forward a certified copy of this Resolution to the Director of Economic and Community Development and retain the original as a public record of the City of West Palm Beach.

**SECTION 3:** This Resolution shall take effect in accordance with law.

PASSED AND ADOPTED THIS 22nd DAY OF October, 2006.

(CORPORATE SEAL)

CITY OF WEST PALM BEACH  
BY ITS CITY COMMISSION

  
PRESIDING OFFICER

ATTEST:

  
CITY CLERK

CITY ATTORNEY'S OFFICE

Approved as to form  
and legal sufficiency

By: 

Dated: 10/23/06



"The Capital City of the Palm Beaches"

Mr. Zachary Cassidy  
4103 Oak Terrace Drive  
Greenacres, FL 33463

**Jeri Muolo, Ph.D.**  
**Mayor**  
P.O. Box 3366  
West Palm Beach, Florida 33402  
Telephone: 561/822-1400  
Fax: 561/822-1424  
e-mail: [jmuolo@wpb.org](mailto:jmuolo@wpb.org)

October 13, 2011

Subject: Appointment to Affordable Housing Advisory Committee

Dear Mr. Cassidy:

I am happy to advise you that you have been appointed to the City's Affordable Housing Advisory Committee for a term to expire October 13, 2014. If you have any questions or need further information before you attend the next regularly scheduled meeting, please contact Jeannette Smith, the staff representative for this board at 561/822-1250.

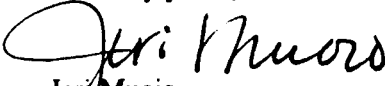
Please be alerted that as a member of a city committee or board, you are subject to certain ethic and sunshine laws. We have established an orientation program for new appointees of boards and committees to acquaint you with those statutes and other important information. Please read carefully the handbook that will be given to you so that you do not unintentionally violate any laws. You may schedule your orientation with the City Attorney's Office by calling Wendy Hensley, Financial Disclosure Coordinator in the City Attorney's Office, at 561/822-1352.

Parking for meetings held at City Hall will be available in the City Center Garage. Please bring your parking token into the meeting for the staff representative to validate it.

Additionally, please call the office of City Clerk at 561/822-1210 to have the appropriate Oath of Office administered to you.

Thank you for your willingness to volunteer your time to make the City a shining example of a community where engaged citizens improve our quality of life.

Sincerely yours,

  
Jeri Muolo  
Mayor

JM/bs

c: City Commission  
Jeannette Smith, Housing Development Program Coordinator  
City Clerk's Office  
Wendy Hensley, City Attorney's Department

*"Equal Opportunity Employer"*



**RESOLUTION NO. 319-11**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA ACCEPTING RECOMMENDATIONS OF THE AFFORDABLE HOUSING ADVISORY COMMITTEE FOR THE CITY'S AFFORDABLE HOUSING INCENTIVE PLAN; AUTHORIZING IMPLEMENTATION OF THE RECOMMENDATIONS; AUTHORIZING TRANSMITTAL OF THE PLAN TO FLORIDA HOUSING FINANCE CORPORATION; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

\*\*\*\*\*

**WHEREAS**, the City of West Palm Beach receives an annual allocation of entitlement funds from the State of Florida under the State Housing Initiatives Partnership Program (SHIP) which are made available to eligible residents needing housing rehabilitation and homebuyer assistance; and

**WHEREAS**, on July 12, 1993 the City of West Palm Beach passed Ordinance No. 2651-93 which established a Local Housing Assistance Program pursuant to the SHIP Program and provided for the formation of an Affordable Housing Advisory Committee, the Local Housing Assistance Trust Fund, and the Affordable Housing Incentive Plan; and

**WHEREAS**, eleven members were appointed to an Affordable Housing Advisory Committee (AHAC) to prepare recommendations, incentives and initiatives to encourage and facilitate affordable housing within the City of West Palm Beach; and

**WHEREAS**, on December 12, 2011 the Affordable Housing Advisory Committee presented its advisory report with recommendations on affordable housing incentives and initiatives to encourage and facilitate affordable housing; and

**WHEREAS**, the City of West Palm Beach, after consideration of the advisory report, has included the recommendations of the Affordable Housing Advisory Committee in the City's Affordable Housing Incentive Plan (AHIP), which includes a schedule for implementation of the incentives; and

**WHEREAS**, the City Commission desires to accept the recommendations, authorize their implementation and authorize the transmittal of the AHIP to Florida Housing Finance Corporation.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA that:**

**SECTION 1:** The City Commission of the City of West Palm Beach hereby accepts the recommendations of the Affordable Housing Advisory Committee, authorizes inclusion of the recommendations in the City's Affordable Housing Incentive Plan (AHIP) and authorizes transmittal of the AHIP to Florida Housing Finance Corporation. A copy of the AHIP is attached hereto as Exhibit "A".

**SECTION 2:** The Mayor is hereby authorized to execute all documents necessary to transmit the AHIP and to implement its provisions including, but not limited to, the Committee's recommendations.

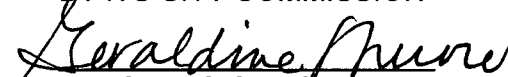
**SECTION 3:** Upon execution of this Resolution, the City Clerk shall retain the original as a public record and shall forward a certified copy to the Director of the Housing and Community Development Department for further handling.

**SECTION 4:** The Director of the Department of Housing and Community Development Department is authorized to transmit the AHIP and a certified copy of this resolution to the Florida Housing Finance Agency.

**SECTION 5:** This Resolution shall take effect upon passage in accordance with law.

PASSED AND ADOPTED THIS 12<sup>th</sup> DAY OF December, 2011.

CITY OF WEST PALM BEACH  
BY ITS CITY COMMISSION

  
PRESIDING OFFICER

ATTEST:

  
CITY CLERK

CITY ATTORNEY

Approved as to form and legal  
sufficiency:

By: SAT



*"The Capital City of the  
Palm Beaches"*

## **State Housing Initiatives Partnership (SHIP)**

### **Affordable Housing Incentive Plan - 2011**

### **Committee Recommendations**

**And**

### **Implementation Timeline**

**Housing and Community Development Department**

**City of West Palm Beach**

**401 Clematis Street, 3<sup>rd</sup> Floor**

**PO Box 3366**

**West Palm Beach, Florida 33401**

**(561) 822-1250**

**CITY OF WEST PALM BEACH  
AFFORDABLE HOUSING ADVISORY COMMITTEE  
2011 INCENTIVE REVIEW AND RECOMMENDATION REPORT**

**Section I Background Information:**

The state legislature requires that every eligible municipality that participates in the State Housing Initiatives Partnership Program (SHIP) must adopt incentive strategies as defined in s.420.9071(16). The governing board of the municipality shall appoint an eleven (11) members to the Affordable Housing Advisory Committee (AHAC) for a term of three years. The types of members are outlined in s. 420.9072. The City of West Palm Beach has reconstituted this board for this triennial review of the incentives.

The basic responsibility of the Affordable Housing Advisory Committee is to review and make recommendations on the incentive program that is currently in place. This review and recommendation report is necessary for the continued funding from the State of Florida for SHIP funds.

**City of West Palm Beach  
Affordable Housing Committee – 2011**

<b>Name</b>	<b>Agency</b>	<b>Housing Related Field</b>
Greg Weiss (Chair)	Retired/For- Profit Developer	Local Planning Agency Member
Eric Sain (Vice-Chair)	Realtors Association of Palm Beach County	Real Estate Professional
Bernard Godek	Palm Beach Habitat	Non-Profit Affordable Housing Provider
Suzanne Cabrera	Housing Leadership Council of Palm Beach County	Advocate for Low-Income Persons
James Chamberlain	Continental Properties	For Profit Affordable Housing Provider
William Jenness	Northlake Construction Inc.	Residential Home Builder
Rosliand R. Riley	Resident	Citizen
Kirk Beerthuis	Orion Bank	Lender
Joseph A. Peduzzi	Webb/Peduzzi, PA	Essential Services
Huntley Miller	PBC Alliance	Employers Representative
Zachary Cassidy	International Brotherhood of Electrical Workers	Representative of Labor Engaged in Home Building

The AHAC met four times during the fall of 2011 and those dates were:

October 13, 2011  
October 27, 2011  
November 3, 2011  
November 10, 2011

## **Section II     Public Hearing**

The Public Hearing was also held on November 10, 2011 and was advertised through notices posted in City Hall and ads placed in the local newspaper. A sign-in sheet was circulated during the Public Hearing and all public input was heard at that meeting.

After the Public Hearing, input from the general public was achieved through a thirty (30) day comment period.

The resulting report was presented to and received by the West Palm Beach City Commission at its December 12, 2011 meeting.



### **Section III Incentives and Recommendations**

**(a) Incentive:** The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.

#### **Review Synopsis:**

Reports from developers were that the process in the City took too long and was not organized in a manner that assisted the provision of affordable housing. The Committee discussion centered on need for the City to develop a cohesive process and to provide sufficient information for a developer to undertake the application and approvals of affordable housing.

The recommendations from the last Incentive Review and Recommendation Report were discussed to determine which of these recommendations were implemented and to determine how well they have functioned. The determination was that the recommendations had not been fully implemented due to a lack of identification of the responsible party for each action.

There was no designated responsible person who would take the lead for this incentive. The Committee recommends the Director of WPB Housing & Community Development Department, or designee, to take the lead and coordinate with the other directors of other WPB Departments to also have a designated person in each of the other departments to collectively discuss (pre planning review meeting) the affordable housing projects coming into the City. The brochure and checklist that was recommended in the last report appears to have not been done. The Committee requested to review checklists from other departments for an example, but one was not located within other City Departments. Committee recommends that WPB HCD department prepare the brochure and checklist for the committee to review within six (6) months after being adopted by the Commission. Committee also suggest to meet on a quarterly basis after report is adopted to continue to review, assist in the preparation of recommended documents, policy/procedures and advise the commission on other possible incentives as it relates to affordable housing. Committee also recommends including a tracking mechanism to monitor how well the process is working and determine how the development is progressing throughout the development/planning phases.

#### **Items received and discussed:**

- Future Land Use Map/Ord. No. 4127-08/ Adopted December 15, 2008. Shows City owned lands that are zoned residential and available for affordable housing.
- Downtown Master Plan Update Map/ Figure IV-35 – TDR Sending and Receiving Sites.
- Sec. 94-134 – Affordable Housing Incentive Program (Downtown Master Plan Area)
- Map Exhibit A, showing the 4 parcels (labeled Parcels A, B, C, D) and their corresponding acreage, that City owns.
- Flow chart outlining the “Review Process for Site Plan Review”
- Flow Chart outlining the “Review Process for Planned Developments”
- Housing Element of the Comprehensive Plan

**Committee Recommendation:**

- 1- Conduct "Pre-Planning Review Meetings" to expedite approvals to the greatest degree possible for affordable housing projects. These meetings will be arranged by a person designated by the Director of HCD and will have representatives from various departments and those representatives will be appointed by their respective Department/Division Heads (CRA, Planning & Zoning, Construction Services, Utilities and others).
- 2- Designate a person from HCD as the "point person" for affordable housing developments/issues that come up in the City. The person will be appointed by the Director of HCD. The recommendation was that this description be included in a written City job description so an employee will know they are responsible for that task and assignment.
- 3- Prepare a checklist and brochure to be used by potential affordable housing development applicants to insure that information is readily available. These materials should be combined into an Informational Packet and should be made available in all departments that would deal with affordable housing issues, (HCD, Construction Services, Planning, CRA Etc.). These tools should also be added to the City's website. HCD will have the responsibility of preparing these materials.
- 4- Replace the "Priority Stamp" that is currently in use in Construction Services to include the word/words "Affordable Housing Project – Priority Stamp", and that the HCD make sure that the project folders/papers are so stamped.
- 5- Continue the process of designating a project coordinator from Construction Services.
- 6- Establish a tracking system where affordable housing projects can be monitored as they move through the system.

**Implementation Schedule:**

All recommendations will be implemented within 6 months or earlier upon adoption by the City Commission.

**Board Action:**

**(b) Incentive:** The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.

**Review Synopsis:**

Based on information provided by City staff it was determined that the City of West Palm Beach does not impose Impact Fees on new development.

**Committee Recommendation:**

- 1- Take no action since the City of West Palm Beach does not levy Impact Fees.
- 2- Should the City impose Impact Fees in the future, this issue should be revisited by the AHAC.

**Implementation Schedule:**

N/A

**Board Action:**

**(c) Incentive: The Allowance of flexibility in densities for affordable housing.**

**Review Synopsis:**

The allowance of flexibility for densities was only extended for the Downtown Master Plan. The Committee recommends that this allowance should be extended to all parts of the City. The Department of Planning indicated that it can be included in the Plan Development Code. The Committee recommends that the flexible density for other parts of the City should be addressed in the Plan Development Code.

Items received and discussed:

- Copy of the West Palm Beach City Housing Element of the Consolidated Plan with Goals, Objectives and Policies. Adopted in 2009.

**Committee Recommendation:**

- 1- Modify the Planned Development Code to extend incentives for affordable housing to sections of the City outside the Downtown area. The current work effort in this regard should be completed and adopted.

**Implementation Schedule:**

The scheduled implementation of the flexible densities throughout the entire City is expected to be completed within 8 to 10 months.

**(f) Incentive: The reduction of parking and setback requirements for affordable housing.**

**Review Synopsis:**

This incentive exists only in the downtown area and the Committee discussed whether to extend the incentive to other parts of the City. The Department of Planning indicated that it can be included in the Plan Development Code. This item can be discussed, implemented and completed concurrently with incentive (c).

Committee recommends this incentive to be made available throughout the City. A suggestion was made to include this item on the checklist that will be provided to all developers inquiring about providing affordable housing within the City.

Items received and discussed:

- Sec. 94-134 – Affordable Housing Incentive Program (Downtown Master Plan Area)
- Housing Element of the Comprehensive Plan

**Committee Recommendation:**

- 1- Extend these provisions beyond the Downtown Master Plan Area, where feasible, implemented on a case by case basis based on planning standards.

**Implementation Schedule:**

This incentive should be implemented within 8 to 10 months.

**Board Action:**



**(g) Incentive:** The allowance of flexible lot configurations including zero lot-line configurations for affordable housing.

**Review Synopsis:**

The discussions regarding the current Code and the ability to address these incentives through the current programs.

Items received and discussed:

- Sec. 94-134 – Affordable Housing Incentive Program (Downtown Master Plan Area)
- Housing Element of the Comprehensive Plan

**Committee Recommendation:**

- 1- Continue with implementation of this incentive through the current Codes and Ordinances.

**Implementation Schedule:**

The recommendation is already implemented.

**Board Action:**

**(h) Incentive: The allowance of street requirements for affordable housing.**

**Review Synopsis:**

The discussions regarding the current Code and the ability to address these incentives through the current programs.

**Items received and discussed:**

- Sec. 94-134 – Affordable Housing Incentive Program (Downtown Master Plan Area)
- Housing Element of the Comprehensive Plan

**Committee Recommendation:**

- 1- Continue with implementation of this incentive through the current Codes and Ordinances.

**Implementation Schedule:**

The recommendation is already implemented.

**Board Action:**

**(i) Incentive:** The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.

**Review Synopsis:**

Committee had discussion on infill housing, zero lot lines, building in planned development, and policies for established setbacks. It was mentioned that the 2008 Committee recommended that an "Affordable Housing Impact" statement be included in the process to determine if there are any effects on affordable housing developments. This recommendation is currently not in place. Committee is recommending reinstating this process for any changes of policies, ordinances, resolutions as it relate to affordable housing development. Committee also recommends that Director of HCD is assigned the responsibility of including an Affordable Housing Impact statement on affordable housing development.

Items received and discussed:

- Housing Element of the Comprehensive Plan

**Committee Recommendation:**

- 1- Insure that affordable housing is considered during the establishment of Land Development Codes and Planning and Zoning Ordinances, an "Affordable Housing Impact Statement" must be prepared to accompany each of these legislative actions. The Impact Statement would address the effects of the code changes would have on the ability to provide affordable housing.
- 2- Place responsibility for preparing the Impact Statement with the Director of Housing and Community Development. Any Code changes initiated from other departments must be referred to HCD.

**Implementation Schedule:**

This incentive should be implemented within 8 to 10 months.

**Board Action:**

**(j) Incentive:** The preparation of a printed inventory of locally owned public lands suitable for affordable housing.

**Review Synopsis:**

The Committee reviewed the existing Current Land Use map to determine the identification of available land for residential development and affordable housing. The mapping system also generates a printed listing of the properties.

Items received and discussed:

- Current Land Use Map and identified lands owned by the City suitable for affordable housing

**Committee Recommendation:**

- 1- Continue with implementation of this incentive through the use of the Current Land Use Map.

**Implementation Schedule:**

The recommendation is already implemented.

**Board Action:**

**(k) Incentive: The support of development near transportation hubs and major employment centers and mixed-use developments.**

**Review Synopsis:**

Excerpts from the City of West Palm Beach Comprehensive Plan as well as the Palm Beach County Comprehensive Plan and EAR were distributed to the Committee. This information clearly identified the inclusion of a minimum amount of affordable housing in all TOD projects. The incentive is already in place and Committee recommends continuing the implementation.

Items received and discussed:

- Excerpts of Palm Beach County Comprehensive Plan addressing TODs
- Excerpts of the EAR for Palm Beach County addressing TODs
- Excerpts of the City of West Palm Beach Comprehensive Plan addressing TODs

**Committee Recommendation:**

- 1- Continue with implementation of this incentive through the current West Palm Beach Land Development Codes

**Implementation Schedule:**

The recommendation is already implemented.

**Board Action:**

#### **IV. Additional Recommendations:**

**(A1) Incentive: Regularly monitor the progress and implementation of the incentives addressed in this report, and discuss additional measures to address affordable housing.**

##### **Review Synopsis:**

Due to the importance of affordable housing and the need for implementation of the recommendations of the Committee, regularly scheduled meetings are necessary to insure that progress is continued. The meetings would serve to monitor the implementation of the overall incentive program.

##### **Committee Recommendation:**

- 1- The committee is to meet on a quarterly basis to monitor the progress on these recommendations.

##### **Board Action:**

## **V. Commission Consideration**

This report was forwarded to the City Commission on November 10, 2011. The Commission met on December 12, 2011 to discuss the recommendations and take the required action.

## **VI. Attachments:**

AHAC Membership Adopting Resolution  
Public Hearing Advertisement  
Resolution to adopt Incentives or Board action  
Resolution to amend LHAP (if applicable)

**RESOLUTION NO. 200-12**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA APPROVING THE LOCAL HOUSING ASSISTANCE PLAN (LHAP) FOR PROGRAM YEARS 2012-2015 AS REQUIRED BY THE STATE HOUSING INITIATIVES PARTNERSHIP PRORAM ACT, SUBSECTIONS 420.907-420.9079, FLORIDA STATUTES, AND RULE CHAPTER 67-37, FLORIDA ADMINISTRATIVE CODE; AUTHORIZING AND DIRECTING THE MAYOR TO EXECUTE ALL DOCUMENTS AND CERTIFICATIONS NECESSARY FOR SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR PROGRAM YEARS 2012-2013, 2013-2014, and 2014-2015; AUTHORIZING THE SUBMISSION OF THE LOCAL HOUSING ASSISTANCE PLAN FOR REVIEW AND APPROVAL BY THE FLORIDA HOUSING FINANCE CORPORATION; AND PROVIDING AN EFFECTIVE DATE.**

\*\*\*\*\*

**WHEREAS**, the State of Florida enacted the William E. Sadowski Affordable Housing Act, Chapter 92-317 of Florida Sessions Laws, allocating a portion of documentary stamp taxes on deeds to local governments for the development and maintenance of affordable housing; and

**WHEREAS**, the State Housing Initiatives Partnership (SHIP) Act, ss. 420.907-420.9079, Florida Statutes (1992), and Rule Chapter 67-37, Florida Administrative Code, requires local governments to develop a one- to three-year Local Housing Assistance Plan (LHAP) outlining how funds will be used; and

**WHEREAS**, the SHIP Act requires local governments to establish the maximum SHIP funds allowable for each strategy; and

**WHEREAS**, the SHIP Act further requires local governments to establish an average area purchase price for new and existing housing benefiting from awards made pursuant to the Act; and

**WHEREAS**, the Housing and Community Development Department has prepared a three-year Local Housing Assistance Plan for program years 2012-2013, 2013-2014, and 2014-2015, for submission to the Florida Housing Finance Corporation; and



**RESOLUTION NO. 200-12**

**WHEREAS**, as required by Section 420.9075 (7), F.S., It is found that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund, except that small counties, as defined in s.120.52 (17), and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative costs; and

**WHEREAS**, the City Commission finds that it is in the best interest of the public to approve and to submit the Plan to the Florida Housing Finance Corporation for review and approval so as to qualify for said documentary stamp tax funds.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA that:**

**SECTION 1:** The City Commission of the City of West Palm Beach hereby approves the Local Housing Assistance Plan for fiscal years 2012/2013, 2013/2014 and 2014/2015 and authorizes submission of the plan to the Florida Housing Finance Corporation as required by Section 420.907-420-9079, Florida Statutes. A copy of the plan is attached hereto and incorporated herein as Exhibit "A".

**SECTION 2:** The Mayor is hereby authorized to execute on behalf of the City all documents necessary for submission of the Plan and for receipt of the funds.

**RESOLUTION NO. 200-12**

**SECTION 3:** Upon execution by the Mayor, the City Clerk is directed to return a certified copy of this resolution to the acting Director of Housing and Community Development Department for further handling. The Clerk shall retain the original executed resolution as a public record.

**SECTION 4:** This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED THIS 6<sup>th</sup> DAY OF August, 2012.

(CORPORATE SEAL)


ATTEST:

  
\_\_\_\_\_  
Teresa J. Puch  
CITY CLERK

CITY OF WEST PALM BEACH  
BY ITS CITY COMMISSION

By:   
\_\_\_\_\_  
PRESIDING OFFICER

City Attorney's Office  
Approved as to form  
and legal sufficiency

By:   
\_\_\_\_\_

Date: 8-3-12

Last printed 8-2-12

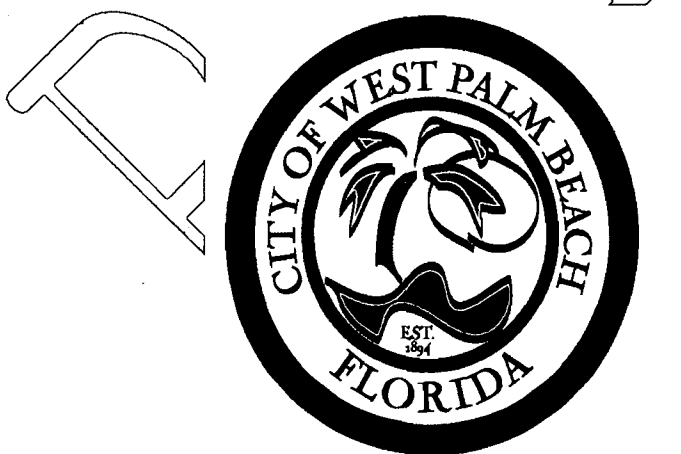
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# **STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) PROGRAM**

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## **LOCAL HOUSING ASSISTANCE PLAN (LHAP) 2012-2015**



City of West Palm Beach  
Department of Housing and Community Development  
401 Clematis Street 3rd St. / P.O. Box 3366  
West Palm Beach, FL 33402  
561.822.1250



# The City of West Palm Beach

## **State Housing Initiatives Partnership (SHIP) Program Local Housing Assistance Plan for 2012-2013, 2013-2014 and 2014-2015**

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	Exhibit F – Program Information Sheet . . . . .	Attached
	Exhibit G – Ordinance . . . . .	N/A
	Exhibit H – Interlocal Agreement (None) . . . . .	None

I. **PROGRAM DESCRIPTION:** *Chapter 67-37.005 F.A.C. and Section 420.9072, F.S.*



- A. Name of the participating local government and Interlocal if Applicable:

**City of West Palm Beach**

Interlocal: Yes \_\_\_\_\_ No X

Name of participating local government(s) in the Interlocal Agreement;

N/A

A copy of the Interlocal Agreement is attached as Exhibit H.

N/A

- B. **Purpose of the program:** *Section 420.9072, F.S. and Chapter 67-37.005(3), F.A.C.*  
Creation of the Plan is for the purpose of meeting the housing needs of the very low, low and moderate income households, to expand production of and preserve affordable housing, to further the housing element of the local government comprehensive plan specific to affordable housing.

- C. **Fiscal years covered by the Plan:** *Chapter 67-37.002, F.A.C.*

X 2012 - 2013

X ~~2013 - 2014~~

X 2014 - 2015

- D. **Governance:** *Chapter 67-37.005(3) and (5)(i) F.A.C. and Section 420.9071(14) F.S.*  
The SHIP Program is established in accordance with Section 420.907-9079, Florida Statutes and Chapter 67-37.007 Florida Administrative Code. The SHIP Program does further the housing element of the local government Comprehensive Plan.

- E. **Local Housing Partnership:** *Section 420.9072(1) (a), F.S.*

The City has a history of working relationships with housing and related organizations operating within the City in an attempt to improve housing and housing related problems. These organizations and programs primarily promote and assist in the development of strategies, which serve to primarily assist very low and low income households. They work in partnership with the City in its efforts to eliminate substandard housing, to build affordable housing, to provide technical services and to relocate displaced families.

Local organizations providing support to the City in implementing its housing programs are CredAbility, Fair Housing Center of the Greater Palm Beaches, the Urban League of Palm Beach County, the West Palm Beach Housing Authority, local realtors, contractors, and local lending institutions.



- F. **Leveraging:** *Chapter 67-037.007 (1) (b) (c), F.C.A. and Section 420.9075 (1) (a) and (1) (b3, and (1) (c), F.S.*

The City of West Palm Beach Local Housing Assistance Plan is intended to increase the availability of affordable residential units by combining local resources and cost saving measures into a local housing partnership and using public and private funds to reduce the cost of housing. SHIP funds may be leveraged or used to supplement other Florida Housing Finance Corporation programs and to provide local match to obtain federal housing grants or programs.

Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME) funds, and Private funds are also used to support the City's housing preservation and rehabilitation programs. As necessary, the source of funds may be solely from SHIP or a combination of sources. If SHIP funds are used solely to finance a project, all repaid loan proceeds will be deposited into the SHIP Housing Trust Fund as program income. When SHIP funds are used in combination with HOME funds, any repaid loan proceeds will be deposited into the HOME Program income account. The maximum SHIP award per unit for hard construction costs shall be as specified within the Plan.

- G. **Public Input:** *Chapter 67-37.005(3), F.A.C.*

Through an advertisement in a local newspaper, the Palm Beach Post, the public was notified that it could inspect and make comments on the Local Housing Assistance Plan. If comments are received, staff will address such comments. Further, at the City Commission meeting that the LHAP is being reviewed by the Commission; the public may use this opportunity to make comments.

- H. **Advertising and Outreach:** *Chapter 67-37.005(60 (a), F.A.C.*

The City of West Palm Beach will advertise the notice of funding availability in a newspaper of general circulation and periodicals serving ethnic and diverse neighborhoods, at least 30 days before the beginning of the application period. If no funding is available due to a waiting list, no notice of funding availability is required.

- I. **Discrimination:** *Section 420.9075(3) (c), F.S.*

In accordance with the provisions of ss.760.20-760.37, it is unlawful to discriminate on the basis of race, creed, religion, color, age, sex, marital status, familial status, national origin, or handicap in the award application process for eligible housing.

- J. **Support Services and Counseling:** *Chapter 67-37.005(50 (g), F.A.C.*

City of West Palm Beach requires an 18 hour Homebuyer readiness counseling class prior to receiving assistance under its Homebuyer Assistance Program. Additionally, the City provides support services that are available from various sources including the City.

Available support services may include but are not limited to:



Homeownership Counseling (Pre and Post), Debt & Credit Counseling, Tenant Counseling and Transportation.

These services are provided through a series of workshops provided by City staff, Local Housing Partners or local non-profits.

Homeownership Assistance Program and the Owner-Occupied Housing Preservation Program are complemented by an array of supportive services that are available to the clients of the programs. These support services are implemented by community organizations, to provide services to clients through formal workshop settings and/or through one-on-one sessions. Services include counseling in the areas of: Budget, Money and Debt Management, Mortgage Default Relief Measures, Home Selection and Purchase Procedures, Reverse Equity Mortgage, and referrals to community sources as needed.

K. **Purchase Price Limits:** *Section 420.9075(4) (c), F.S. and Chapter 67-7.007(6) F.A.C.*

The sales price or value of new or existing eligible housing may not exceed 90% of the average area purchase price in the statistical area in which the eligible housing is located.

The purchase price limits is determined from FHFC (Florida Housing Finance Corporation) Bond Study numbers for new and existing units. The FHFC bond study sets the median area purchase price, in accordance with Section 420.9075(4) (c) FS this figure is derived by taking 90% of the median area purchase price limit.

The sales price of new and existing units, which can be lower but may not exceed 90% of the median area purchase price established by the U.S. Treasury Department or as described above.

The methodology used is:

- ☐ Independent Study (copy attached)
- ☒ U.S. Treasury Department
- ☐ Local HEA Numbers

The purchase price limit for new and existing homes is shown on the Housing Delivery Goals Charts.

These purchase price limits govern the maximum amount to which the City may provide assistance through the SHIP program. The purchase price limits adopted in this revised LHAP will remain in effect until a new purchase price limit is adopted.

L. **Income Limits, Rent Limits and Affordability:** *Chapter 67-37.005(5) (e), F.A.C. and Section 420.9071(2), F.S.*



The Income and Rent Limits used in the SHIP Program are updated annually from the Department of Housing and Urban Development and distributed by Florida Housing Finance Corporation. Affordable means that monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households as indicated in Sections 420.9071 (19), (20) and (28), F.S. However it is not the intent to limit an individual household's ability to devote more than 30% of its income for housing, and housing for which a household devotes more than 30% of its income shall be deemed Affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size.

M. **Welfare Transition Program:** *Chapter 67-37.005(6) (b) (7), F.A.C.*

Should a eligible sponsor be used, the city has developed a qualification system and selection criteria for applications for Awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the Welfare Transition Program will be given preference in the selection process.

N. **Monitoring and First Right of Refusal:** *Section 420.9075, F.S.*

In the case of rental housing, the staff or entity that has administrative authority for implementing the local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility or, to the extent another governmental entity provides the same monitoring and determination, a municipality, county or local housing financing authority may rely on such monitoring and determination of tenant eligibility. However, any loan or grant in the original amount of \$3,000 or less shall not be subject to these annual monitoring and determination of tenant eligibility requirements. Tenant eligibility will be monitored for at least annually for 15 years or the term of assistance which ever is longer unless as specified above.

O. **Administrative Budget:** *Chapter 67-37.005, F.A.C., and 420.9075(7), F.S.*

A detailed listing including line-item budget of proposed Administrative Expenditures is attached as **Exhibit A**. These are presented on an annual basis for each State fiscal year submitted.

The City of West Palm Beach finds that the moneys deposited in the local housing assistance trust fund shall be used to administer and implement the local housing assistance plan. In accordance with Section 420.9075 Florida Statute and Chapter 67-37, Florida Administrative Code, a county or an eligible municipality may not exceed the 5 percent limitation on administrative costs, unless its governing body finds, by resolution, that 5 percent of the local housing distribution plus 5 percent of program income is insufficient to adequately pay the necessary costs of administering the local housing assistance plan. The cost of administering the program may not exceed 10 percent of the local housing distribution plus 5% of program income deposited into the trust fund.





*The City of West Palm Beach has adopted the above findings in the attached resolution, Exhibit E.*

**P. Essential Service Personnel:**

“Essential Services Personnel” means persons whose household incomes do not exceed 140% of AMI, as determined annually by the Florida Housing Finance Corporation and adjusted for family size, and shall include: teachers and educators; other school district, community college, and university employees; police and fire personnel; health care personnel; housing related professionals and employees; skilled building trade industry personnel; Federal, State, County, and local government personnel; and may also include utility system (water/sewer, electrical, communication, etc.) personnel; information technology industry personnel; child care personnel; personal service providers; retail workers; wholesale/warehouse personnel; tourism industry personnel; biotechnology industry personnel; non-profit personnel; food service personnel; landscaping industry personnel; cosmetology service providers; facility maintenance personnel; automotive service personnel; marine services personnel; persons employed in local “business clusters” as identified by the Business Development Board of Palm Beach County; the occupations in demand with the most employees and the occupations in demand gaining the most new jobs according to the Agency for Workforce Innovation (AWI); and personnel in other industries deemed essential by the City of West Palm Beach City government based on the local economy. The City of West Palm Beach will review and possibly revise this definition of essential service workers on an annual basis to conform to local economic and industry trends.

For the purposes of this definition, “Essential Services Personnel” must meet the CWHIP income requirements set forth for Workforce Housing.

**II. LHAP HOUSING STRATEGIES: Chapter 67-37.005(5), F.A.C.**

Provide Description:

**A. Name of the Strategy: HOUSING RESIDENTIAL REHABILITATION**

- a) Summary of the Strategy:** The Owner Occupied Housing Rehabilitation Program is designed to assist owner-occupied residential properties. Eligible properties include, single family, condos, PUDs, townhomes, and villas, eligible manufactured homes. This program is a multiple strategy program. The primary purpose of the program is to provide repairs necessary to provide safe and decent housing, eliminate any instances of substandard housing, and preserve the City’s affordable housing stock. The property must be located within the City of West Palm Beach. The after rehabilitation appraised value of the property or purchase price must not exceed 90% of the Palm Beach County area median purchase price. The property must conform to City zoning requirements regarding use and density.



- b) Activities include owner-occupied comprehensive repairs/improvements and emergency repairs. Demolition/reconstruction of code related repairs may be addressed as part of a comprehensive or emergency repair.

Loan funds shall be used to fund the following repairs/improvements.

1. Eliminate building code violations.
2. Abate any health and safety issues in the home.
3. Repair, upgrade, or replace major building systems, as necessary. Major building systems include: Structural, Electrical, Plumbing, Heating, Ventilation, Air Conditioning and Sewer Systems.
4. Prevent weather penetration, promote energy efficiency/green initiatives including the use of Energy Star products in the home.
5. Provide non-luxury general improvements that improve conditions and structure of the home.
6. Provide barrier-free accessibility improvements to elderly – individuals 62 years-old and older and disabled owner-occupied households. Households where an applicant has a disability will be required to provide an SSI or SSDI award letter or a letter from a doctor, case worker, or other qualified professional stating that the applicant has a disability.
7. Make repairs that address principles of universal design such as equitable use, low physical effort, safety oriented and a focus on approach/use and promotes “aging in place.”
8. The only appliances that will be replaced under the program are non-functional or out-dated stoves or refrigerators. The program will not replace microwaves or washer/dryers.
9. Painting will be limited to the exterior of the home. Interior painting will be addressed only as part of interior repair/rehabilitation.
10. Carpet and Flooring – The program will replace carpet with carpet, with evidence that carpet is in need of replacement. The only time carpet will be replaced with tile/linoleum flooring is in the case of households where the carpet is an impediment to the mobility of the occupant. The only time wood flooring will be installed is when wood already exists and deteriorated wood is being replaced.

**Comprehensive Repairs and Improvements:** Owner-occupied households, assisted in the order in which they applied for the program, will receive a comprehensive inspection and repairs will be comprehensive, addressing only the program priorities above.

**Emergency Repairs:** In the event a waiting list exists for the program, emergency requests will be submitted by the City’s consultant to the City. The City will make the determination whether or not an emergency condition exists. An emergency exists where there is imminent threat to the health or safety of the household



occupants. Determination shall be in writing. Work specifications will be written to address only the emergency issue(s).

In cases where emergencies exist and it is later determined that the emergency exists where code violations (in whole or part) exist, the code violation must be addressed in order to address the emergency.

Other repairs including other code violations will be addressed when applicant is called from the comprehensive waiting list. Emergency repairs must be eligible program repairs as described above. Only in cases of emergency repairs can an eligible homeowner receive priority over other applicants on a waiting list, if a waiting list exists.

Demolition/Reconstruction: The City has instances where homeowners purchased units where garages or carports were illegally converted to create additional rooms. These are considered code violations and will be corrected through demolition and brought back to permitted use. If the home is occupied by special needs households, as defined by Chapter 67-37.002(21), F.A.C. or instances where overcrowding exists, the City can make the determination to reconstruct to a legal room addition.

Substantial Repairs, Economically Unfeasible Repairs/Replacement Housing Inventory of the homes in the City do not suggest that there are structurally unsound units that need to be replaced. However, should a situation like this occur where code, healthy/safety priority repairs are substantial (more than 50% of the value of the home), the unit may be assisted through the City's HOME funded substantial rehabilitation program.

If repairs exceed the cost to replace the home, the home will not be assisted under the City's home repair programs. The household may be assisted under another strategy, where the home can be acquired, demolished to provide for safe replacement housing or receive assistance in purchasing a new home.

If a household must be temporarily or permanently relocated, the guidelines of the City's uniform relocation policy will apply as amended from time to time.

The City, at its, sole discretion will determine the award/improvements to be made, with priority given to code and life threatening or health and safety issues and to owner-occupied households where elderly and disabled residents reside

Prior to repairs, all homes shall be inspected and work specifications will be written for each project. Inspections and work specifications shall be comprehensive unless in the case where a waiting list exists and an emergency determination has been made by the City. In these cases, only the emergency issue will be inspected and specifications for the emergency issue will be addressed in the work specification. If



the waiting list is open, the applicant can place their name on the list for additional repairs. If the waiting list is closed because demand far exceeds the ability to provide assistance in a reasonable timeframe as, determined by program administrator, then the person will have to wait until the list is open or find other means to fix the repairs. Once a waiting list of 100 households exists and all funds have been exhausted, the City will close the list.

### **Change Orders**

Cumulative change orders greater than 10% of the original contract amount will be paid by City only if those repairs are necessary to correct code violations to meet local property standards, or address issues that could not be accurately assessed before the work started. Change orders will not be granted for purely cosmetic repairs. The City reserves the right to reject a change order that does not address code or property standard issues. Change orders are paid only when prior approval from owner, home inspector, and City is on file.

Where SHIP assistance is leveraged with federal sources and housing units are required to be brought up to code at time of assistance, repairs will be inspected to meet local housing code and local property standards. HOME funds cannot be used to leverage SHIP dollars for emergency repairs. In addition when funds are leveraged, lead-based paint, asbestos, environmental and historic preservation regulations will be complied with per the site specific environmental review checklist maintained in each file and part of the City's Environmental Review Record (ERR).

The City intends to leverage SHIP funds, with Community Development Block Grant, HOME Investment Partnership, and other available Federal and State Resources that support rehabilitation activities where feasible.

Repairs are considered complete once all work has been inspected according to specifications or emergency situation specifications, and necessary building permits have been finalized by the City's building department. Final inspections by the program's inspector will be requested by staff upon receipt of invoice package, final release of liens and owner's satisfaction. Any items not completed per specifications, must be completed and re-inspected prior to close-out.

- b. Fiscal Years Covered:** Fiscal Years 2012/2013, 2013/2014, and 2014/2015
- c. Income Categories to be served:** Extremely-low, Very-low, Low, and Moderate Income.
- d. Maximum award is noted on the Housing Delivery Goals Charts. \$80,000**



- d. **Terms, Recapture and Default:** Assistance is in the form of a fifteen (15)-year 0% interest deferred payment loan secured by a mortgage and note. The loan is forgivable in its entirety at the end of fifteen (15) years from the recordation date of mortgage and note. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the fifteen (15) year occupancy period.

**Special Needs Owner-Occupied Households:** Assistance is in the form of a 10 year, 0% interest deferred loan, written down 1/10<sup>th</sup> each year.

Repair projects, or program costs incurred under \$5,000.00 will be granted and will not require the signing or recordation of the program's mortgage and note.

Homeowners, who have received comprehensive repair assistance from the City, cannot re-apply for five (5) years, except for cases where emergency repairs are needed as determined by the City's Building Official or his designee or in cases where no waiting list exists and funds are available. Applicants must wait at least a period of 12 months before being eligible to apply for assistance. Maximum assistance will be twice in any 5 year period.

In the event of default where there is failure to make required payments on a loan secured by a first mortgage which leads to foreclosure and/or loss of property ownership, the City may foreclose to recover funds made available for assistance which is secured by mortgage and note on the property.

- f. **Recipient Selection Criteria:** The Housing Rehabilitation program is citywide and all eligible households are encouraged to complete an application for assistance if they require repair assistance. Applications must be 100% complete to be certified eligible for the program. Additional information may be requested upon review of application to determine program eligibility.

Eligible homeowners will be assisted on a first qualified, first served basis. Homeowners will be assisted within income groups from all eligible applicants based on funding availability. Special needs households, as defined by Chapter 67-37.002(13), F.A.C will be given first priority. All eligible special needs households, as defined by Chapter 67-37.002(21), F.A.C will be given priority by income level in the following order; very-low, low, and moderate-income levels. If there is a waiting list, residents will be contacted in writing by City's consultant to apply for assistance, in the order in which their names appear on the list.

Property must be owner occupied primary residence. Verification of ownership, income, homeowners insurance, flood insurance (if required) and payment of



property taxes will be conducted to determine eligibility. A warranty deed or quit claim deed, will be utilized to verify ownership and primary residences should maintain homestead exemption. Life Estates also qualify. Hazard and flood insurance should be in place at time of award and be maintained as long as first and/or second mortgage remains on property. If a property is not required to have flood insurance then the file will be documented that flood insurance is not required. In the event property is not insured and there is a severe case of hardship by household to maintain insurance and repairs are needed to eliminate substandard, code, health and safety issue, the City may waive insurance requirements, as long as project is not leveraged with Federal funds, where flood insurance is required. Hardship is defined as the 1) condition of property makes it uninsurable or 2) at time of application household had no insurance and housing and insurance expenses exceed 50% of a fixed income household.

Program is not credit driven and credit reports will not be reviewed to determine eligibility for assistance.

Mortgage must be current and will be verified with mortgage statement or third party - verification of mortgage.

Title searches will be conducted. There must be evidence that there is no pending foreclosure on the property.

The property's assessed value must not exceed the value noted in the plan for new and existing homes. The current assessed value indicated on Palm Beach County Property Appraiser's website shall be used to determine the value of the property after SHIP is provided.

Applicants will be required to sign program disclosures, including a conflict of interest disclosure prior to completing application or the application being processed.

- g. Sponsor Selection Criteria:** Eligible contractors will be selected through a bid process to perform repairs under this program. Non construction related services will be selected through a bid process or other process in compliance with the City's procurement policies. The selection will be based on certification, experience, past performance and financial stability to perform services. Preference will be given to eligible contractors that employ personnel from Welfare Transition Program.

The City or City's consultant will maintain a contractor pool in which it openly recruits contractors to participate in the program after pre-screening. All contractors must be licensed with the State of Florida, Department of Business and Professional Regulation and be in good standing with local licensing requirements. Contractors must not appear on the Federal government's Excluded Parties List prior to the award of any contract.



The City conducts outreach to encourage the participation of Minority and Women Owned enterprises in its housing assistance programs.

Only contractors who have been pre-screened will be allowed to bid on the housing rehabilitation projects. Prior to bidding on the project, contractors must visit each property. The program prohibits contractors from working on the properties of persons they are related to or where other potential conflict of interests may exist.

In instances, where a General Contractor is needed to complete repairs such as roof only, plumbing only, or shutters only, the bid quotes from pre-screened contractors will be solicited to make necessary repairs/improvements. Where a General Contractor is not needed, the services of a licensed contractor able to perform the services will be utilized.

- h. Additional Information:** The program will assist with disaster related activities following a natural disaster as declared by Executive Order of the President of the United States or Governor of the State of Florida. For home repair activities, the program is not designed to remodel, upgrade homes with purely cosmetic repairs or replace working appliances because owner wants to upgrade.

The City's current subordination policy, maintained at the City Clerk's office shall apply for any refinance transactions. This subordination policy may be viewed by the public upon request to the City Clerk.

#### Additional Considerations

- h.** If a household applies to the City's home repair program, meets all the other program requirements, has a fixed rate mortgage that is current at the time of application or a reverse mortgage, no other liens on the property, the home repair application will be processed for assistance with the ability to receive maximum award.
- i. Additional Information:** HCD Director or designee is allowed to exceed Maximum Housing Rehabilitation to the extent necessary to cure an overcrowding situation.

Limitations to the amount of repairs completed will apply if a household applies to the City's home repair program and the property has one or more of the following conditions:

- Negative Equity



- An adjustable rate mortgage that has adjusted or will adjust during the life of the City's lien.
- A negative amortization loan in which the principal balance is increasing.
- A revolving home equity line of credit.
- A fixed rate second mortgage – home equity loan.
- Non-mortgage related liens ( i.e. credit related judgments) in excess of \$10,000.

Assistance will be limited to addressing building code violations, health/safety issues, verifiable disaster related repairs and/or disaster mitigation (impact windows/shutters). Roofs in need of replacement, a/c units and/or other major mechanical systems should be addressed as well if not functioning or at end of life cycle.

Housing units that have a pending foreclosure (Lis Pendens) from a mortgage company or homeowners/condo association cannot be assisted until resolved. Properties with a lien from the homeowners/condo association also will not be assisted until resolved. Households undergoing a loan modification will not be assisted until the modification is complete and a new mortgage acceptable to the program is provided.

Units that meet one of the above conditions may not be assisted with HOME funding if work beyond the limited repair assistance is required to bring the home up to full rehabilitation standards. When units are assisted in whole or in part with HOME funds all required repairs to meet rehabilitation standards must be addressed.

Household applicants with credit judgments will still be referred to counseling but not as a requirement of receiving assistance

**B. Name of the Strategy: PURCHASE ASSISTANCE**

- Summary of the Strategy:** The Purchase Assistance Program is created to assist eligible first-time homebuyers with a deferred payment loan to be applied towards the costs of purchasing existing or newly constructed (with a Certificate of Occupancy) eligible affordable housing. Eligible costs include the following: down payment, closing costs, mortgage buy down, rehabilitation, and other costs associated with purchasing a home. Eligible housing includes single-family homes, townhomes, condominiums, PUDs and villas and approved HUD manufactured homes.
- Fiscal Years Covered:** Fiscal Years 2012/2013, 2013/2014, and 2014/2015
- Income Categories to be served:** Very-low, Low, and Moderate Income.
- Maximum award is noted on the Housing Delivery Goals Charts:**  
Up to \$30,000 For 81-140%, Up to 40,000 50-80% AMI and Up to \$50,000 for 50%





AMI or less. City will follow existing underwriting criteria to determine how much each household will receive – up to maximum allowed.

- e. **Terms, Recapture and Default:** Assistance will be in the form of a fifteen (15)-year 0% interest, deferred payment loan secured by a mortgage and note. The loan is forgivable in its entirety at the end of fifteen (15) years from the date of settlement provided the title remains under the ownership of the original purchaser. There will be no yearly write-down of the loan. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the fifteen (15) year occupancy period of the property.
- f. **Recipient Selection Criteria:** Eligible applicants will be selected in the order in which they applied for the program and assisted on a first qualified and first served basis, within income groups; but Special needs households, as defined by Chapter 67-37.002(21), F.A.C will be given first priority. Certificate of homeownership counseling completion required prior to loan closing.

The applicant must be a first-time homebuyer. A first-time homebuyer is defined as one that has never owned a home, or one that has not owned a home within the last three years, a single parent with children under the age of 18 who has recently been divorced and displaced, a displaced victim of domestic abuse, or a person displaced as a result of a governmental action. Residents displaced from mobile home parks seeking to purchase a non-mobile home unit will also be considered first-time homebuyers.

Applicants must not own any other property used for residential purposes, and the home to be purchased must be located within the City limits. Applicant must use the mortgage programs offered by the mortgage providers in the City's lenders consortium.

Applicants are responsible for the upfront fee associated with the credit report in the form of a money order.

- g. **Sponsor Selection Criteria:** The City of West Palm Beach utilizes the Housing and Community Development's lender consortium. Participating in the program is open annually to interested lenders. Lenders must adhere to the guidelines for participating in the program.

**Additional Information:** The applicant must contribute a minimum of 1% of the sales price (including pre-paid items) towards the purchase of the home. The Purchase Assistance Program cannot be utilized when the seller of the property is providing the financing for the mortgage. Funds may be leveraged with Palm Beach County, HOME, CDBG or other purchase assistance related activities. In the case



where bond or County assistance is being provided in conjunction with the City's SHIP funds, the City will take no less than third position in the transaction.

If the property is sold or transferred (as a result of the death of a borrower or otherwise) to a person that has made application and assumed the City's mortgage, including a modification of the repayment terms as necessary, and otherwise meets the requirements of the Homeowners Assistance Program, repayment may not be required if the transferee accepts the terms and conditions of the program, including, but not limited to the principal residence requirement.

Then in that event, the transferee shall be entitled to and obligated for the remainder of the benefit as the borrower would have been entitled had he or she lived. Transferee's eligibility and entitlement shall be determined by the City in its sole discretion and must be requested by transferee within sixty (60) days of the date of death of Borrower or (60) days prior to a contemplated sale to the applicant.

To qualify under the construction set-aside requirement for SHIP, files shall be documented using one of the following ways:

Evidence of repairs or affidavit and/or receipt from sellers that repairs were conducted within twelve (12) months prior to sale of home.

Evidence of repairs completed from inspection reports – within 12 months of closing. If necessary, funds will be held in escrow or leveraged from CBDG or similar funds. Once repairs are completed and inspected, contractor will submit invoice for payment. Repairs will be completed by pre-screened contractors or general contractors in the contractor's pool.

**C. Name of Strategy: ACQUISITION - REHABILITATION OR NEW CONSTRUCTION DEVELOPMENT**

- a. Summary of Strategy:** This construction strategy is designed to promote the acquisition or construction of affordable housing for home ownership opportunities. Funds will be provided as deferred or low interest loans to support the acquisition and rehabilitation, replacement, or the new construction of single-family housing, or the single-family housing portion of a mixed use facility. The strategy is also designed to promote infill housing and mixed income projects/neighborhoods for home ownership opportunities. For profit and non-profit developers may be requested to submit proposals to provide housing that conforms with the City's RFP, neighborhood redevelopment plans and comprehensive plan. This activity may be undertaken by the City directly. Acquisition may include the acquisition by a private



household who will purchase and rehabilitate an eligible unit. Eligible housing includes single-family homes, townhomes, condominiums, PUDs, villas and approved HUD manufactured homes.

Funds may be used as a match for U.S. Department of Housing and Urban Development's HOME program and various other programs offered by the federal government and the State of Florida to develop affordable housing.

Eligible expenses will include construction hard costs and soft costs necessary to rehabilitate or construct the project. This includes cost of land, cost to acquire structure and land, demolition cost, professional service fees such as environmental phase 1, engineering, survey, appraisal, architectural and interest buy downs.

Also allowed are infrastructure directly related to the project, including streets, roadways, parking, sidewalks, pathways, storm drainage, water, sewer and sanitary systems, sewer connections, hydrants, meters, utilities and utility easements for telephone, cable, electric lines, and right-of-ways and other acceptable fees.

Soft costs include, plat reviews, recording fees, permits, environmental reviews and impact studies, land use amendment reviews and other acceptable fees.

The strategy also allows for impact fees.

b. **Fiscal Years Covered:** Fiscal Years 2012/13, 2013/14, 2014/15

c. **Income Categories Served:** Very Low, Low Income and Moderate

d. **Maximum award is noted on the Housing Delivery Goals Chart: \$200,000**

e. **Terms, Recapture and Default:**

Developer Terms:

The terms of the City's assistance for single family acquisition/rehabilitation, replacement, or new construction for homeownership developments will vary from project to project, depending on the economics of the development and type of project.

Funding will either be in the form of a deferred payment loan, low interest loan, or some combination thereof, for a period not to exceed 30 years. The financing structure that will be utilized will provide the greatest affordability to the household that will eventually occupy the unit. Loans provided to developers for new single-family housing construction or units rehabilitated and then resold under this strategy must benefit eligible persons.



### Household Occupancy Terms:

Deed restrictions for long term affordability for no less than 15 years may be required. If deed restrictions are not utilized and purchaser receives a direct subsidy, the household will be subject to the deferred loan provisions that are in effect for the City's purchase assistance program. Market conditions will determine which provisions are utilized.

Households purchasing any of these units will be required to secure their own first mortgage and may be eligible for purchase assistance through the City's purchase assistance program. Home sales prices may not exceed the maximum sales price noted in this plan.

Where single-family units being constructed to be affordable housing for household with incomes at 140% area median or less make up more than 50% of the development project, assistance to the developer will be in the form of a deferred loan if economically feasible to the City's program. If units account for less than 50%, assistance may be in the form of a low interest loan.

If a single unit is being constructed (such as an infill house) then the assistance will be in the form a deferred loan.

Assistance will be provided only for the portion of units occupied by households at 140% or below AMI. In the RFP process, the City will review the overall project to determine if a deferred payment loan or low interest loan will be provided.

**Default Terms:** Default terms for not meeting program requirements shall be immediate repayment to the City trust account if the developer fails to meet the terms of the deferred payment loan, low interest loan, or fails to meet the program timeline for expenditure or having an eligible applicant occupying eligible housing. Default terms shall be described in mortgage and promissory note securing property.

- f. **Recipient Selection Criteria:** For rehabilitated and new construction homeownership units, assistance will be provided on a first qualified, first served basis. Priority will be given to essential service personnel at various levels. However, program will be open to all eligible households to create inclusive communities. Applicant must use the mortgage programs offered by the mortgage providers in the City's lenders consortium.
- g. **Sponsor Selection Criteria:** Request for proposals and competitive procurement process will be utilized to select a sponsor to implement these projects. Characteristics in determining the sponsor may include, but not be limited to:

1. Capacity and capability to carry-out project
2. Scale of Project/Utilization of Density Bonuses
3. Experience in completing similar projects



4. Use of personnel from Wages and Workforce Development programs.
5. Leveraging.
6. Site control.
7. Neighborhood compatibility/Compatibility with Area Redevelopment Plan
8. Creation of Mixed Income Communities.
9. Incorporation of Partnerships with Local Employers, Institutions, Hospitals and Schools.
10. Incorporation of Transit Oriented Design/Proximity.
11. Attractiveness of design
12. Multistory buildings must have elevators and be ADA Compliant.
13. Use of green building techniques.

**h. Additional Information:** Acquisition-Rehabilitation and New Construction related strategies, in which assistance will be provided to a private or non-profit developer will be expected to demonstrate that the project(s) are affordable to low and moderate income households, meaning that no more than 30% of the household's income should go towards housing related expenses. Developer assisted projects that demonstrate affordability to low and moderate income households, using the definition above, will be considered for SHIP funding assistance. These projects shall receive priority consideration for funding. The purchase price limit that is established by the U.S. Treasury Department is not to be misconstrued as the target price for affordable housing in the City of West Palm Beach.

Similarly, any units receiving assistance from SHIP and other federal, State or local programs shall be required to comply with any requirements specified by the other program in addition to SHIP program requirements. In the event both programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on an issue, the program with a regulation on the issue shall apply. 67-37.007(12) F.A.C.

**D. Name of Strategy: FORECLOSURE PREVENTION**

**a. Summary of the Strategy:** The foreclosure prevention program provides qualified homeowners the opportunity to avoid foreclosures and retain their homes. The program is designed to assist households that need immediate financial assistance to stop their homes from being foreclosed or sold for non-payment to a lender or homeowner's association who has initiated foreclosure proceedings. Funds will be provided as a deferred loan to eligible homeowners to assist them in bringing current their first and/or subordinate mortgage payments (Principal, Interest, Taxes and Insurance) Attorney's Fees, Late Fees, HOA, Assessments, and other customary fees. Evidence that mortgage or fee is no less than 60 days late is required and evidenced by current mortgage statement or applicable statement.



**b. Fiscal Years Covered:** Fiscal Years 2012/2013, 2013/2014 and 2014/2015

**c. Income Categories to be Served: Very-Low, Low and Moderate Income**

**d. Maximum award is noted on the Housing Delivery Goals Chart: \$10,000**

**e. Terms, Recapture and Default:** Ten year, 0% interest deferred payment loan secured by a mortgage and note. The loan is forgivable in its entirety at the end of ten years from the date of the contract completion, provided the title remains under ownership of the applicant. Full repayment of the loan is due if the home is sold, title is transferred or conveyed, or the home ceases to be the primary residence of the owner during the ten year (10) year occupancy period. This is a one-time assistance program and homeowners may not re-apply for this assistance, but may apply for assistance such as home repair/improvements.

**f. Recipient Selection Criteria:** Eligible homeowners will be selected in the order in which they apply to the program and assisted on a first qualified, first served basis. All Special needs households, as defined by Chapter 67-37.002(13), F.A.C will be given priority by income (very-low, low and moderate income) respectively. The applicant(s) must show their ability to continue to maintain their mortgage payment after assistance is given. The City will pay 100% of the delinquent mortgage amount up to \$10,000. If this is not enough to bring the situation current, the homeowner must pay the remainder to bring the situation current. Applicants must show the non-payment of their mortgage is due to the following eligible reasons:

- 1) Loss of Pay due to involuntary job loss.
- 2) Divorce or separation which resulted in temporary loss of income.
- 3) Death of a spouse which resulted in a temporary loss of income
- 4) Sudden unforeseen medical expenses
- 5) Unforeseen emergency home repairs including condo/homeowner association assessments.
- 6) Involuntarily loss of verifiable income from other sources (Temporary or permanent).

Applicant will be responsible for the overnight courier fee in the form of a money order. This fee is \$25

**g. Sponsor Selection Criteria:** Credit and Budget Counseling services will be offered through the same entity that provides the services for first time home buyer applicants. Another sponsor may be selected to provide these counseling services if deemed necessary. Sponsor will have to demonstrate capacity and experience.

**h. Additional Information:** The applicant must undergo and complete budget/credit counseling from an approved credit counseling service. Priority will be given to



persons who received prior down payment/purchase or rehabilitation assistance through the City's program.

## **RENTAL DEPOSIT – EVICTION PROTECTION PROGRAM**

- a. Summary of Strategy:** The City of West Palm Beach may provide upfront financial assistance for households to obtain quality, safe, decent and affordable rental housing. The families must have the income to afford the monthly rental payments. Guidelines similar to debt to income or affordability ratios will be utilized to determine the affordability of the payments. The City may pay for such items as first month's rent, security deposit, utility connection/start-ups, up to a maximum of \$3,000. Funds may also be provided to those tenants in danger of being evicted from their current occupied rental units.

On-going rental assistance is not permitted under the SHIP program. Assistance will be limited to a one time grant not to exceed \$3,000 per household.

- b. Fiscal Years Covered:** 2012/2013, 2013/2014, 2014/2015
- c. Income categories served:** Very Low Income, Low Income and Moderate Income
- d. Maximum award is noted on the Housing Delivery Goals Chart:** \$3,000
- e. Terms Recapture and Default.** Assistance will not be secured by a mortgage or promissory note because this is non-owner-occupied assistance. For this program, the person is assisted, not the unit, **however funds will not be given directly to applicant.**
- f. Recipient Selection Criteria:** Recipient Selection Criteria:

**Rental Deposit Programs:** Applications will be processed in the order in which they are received. Applicant must be very low to moderate income, (priority given to very low income households and special needs households, as defined by Chapter 67-37.002(13), F.A.C). Priority will be given to those individuals who are homeless or at risk of homelessness because of the inability to pay the rental deposit (including first and last month rent). The lease must be for at least one year. Assistance will be provided one time only.

**Eviction Protection Program:** Applicants must meet the following criteria: Be very low to moderate income and must be in danger of being evicted from their rental dwelling unit because of late or non-payment due to:

1. Loss of Pay due to involuntary job loss,



2. Divorce or separation which resulted in temporary loss of income,
3. Death of a spouse which resulted in a temporary loss of income,
4. Sudden unforeseen medical expenses, or
5. Involuntarily loss of verifiable income from other sources  
(Temporary or permanent).

Applicants must show that they have the ability to pay the rent after the City's assistance is given without further assistance. Applicants cannot rent mobile homes. Eligibility will be performed on an expedited basis and may include alternative forms of documentation, such as current pay stubs and benefit letters, as well as oral verification of employment wages, other income, and assets. Assistance shall be provided on a first-qualified, first-served basis. Assistance is limited to a one-time award.

- g. **Sponsor Selection Criteria:** This Program will be administered by the City with the assistance of the Community Outreach Program or an Eligible Sponsor if the City decides to use a sponsor to carry-out this program.
- h. **Additional Information: Rent limits will apply.**

**Name of Strategy: MULTIFAMILY RENTAL HOUSING**

- a. **Summary of Strategy:** This strategy is designed to promote the production of affordable multi-family housing in the City. Funds may be provided as deferred loans or low interest loans to support the acquisition and rehabilitation, or the new construction of multifamily housing, including single room occupancy, transitional/group home housing, senior rental facilities or the housing portion of a mixed use facility. Strategy is designed to promote mixed income projects and neighborhoods.

Funds may be used as a match for U.S. Department of Housing and Urban Development's HOME program and various other programs offered by the federal government and the State of Florida to develop affordable housing.

Eligible expenses will include construction hard costs and soft costs necessary to rehabilitate or construct the project. This includes cost of land, cost to acquire structure and land, demolition cost, professional service fees such as environmental phase 1, engineering, survey, appraisal, architectural and interest buy downs.

Also allowed are infrastructure directly related to the project, including streets, roadways, parking, sidewalks, pathways, storm drainage, water, sewer and sanitary systems, sewer connections, hydrants, meters, utilities and utility easements for telephone, cable, electric lines, and right-of-ways and other acceptable fees.





Soft costs include plat reviews, recording fees, permits, environmental reviews and impact studies, land use amendment reviews and other acceptable fees.

The strategy also allows for impact fees.

b. **Fiscal Years Served:** 2012/2013, 2013/2014 and 2014/2015

c. **Income Categories Served:** Very Low, Low Income and Moderate

d. **Maximum award is noted on the Housing Delivery Goals Chart \$250,000**

e. **Terms, Recapture and Default:** The terms of the City's funding for multifamily rental rehabilitations or new rental construction developments will vary from project to project, depending on the economics of the development.

Funding will either be in the form of a deferred payment loan or low interest loan, or some combination thereof, for a period not to exceed 30 years. Loans provided to developers for eligible rental housing constructed, rehabilitated, or otherwise assisted under this strategy must be reserved for eligible persons for 15 years or the term of the assistance, whichever period is longer.

The financing structure that will be utilized will provide the greatest affordability to the household that will eventually occupy the unit. Loans provided to developers for multifamily housing constructed under this strategy must be reserved for units that will benefit eligible persons and include deed restrictions for long term affordability for no less than 15 years.

For rental projects where units for households with incomes at 140% area median or less are greater than 50% of total units being constructed or rehabilitated, assistance will be in the form of a deferred loan if economically feasible to the City's program. The City encourages mixed-use developments. All other projects, not meeting this criteria may be subject to the low-interest loan.

The City, Eligible Sponsor or appointed designee, shall annually monitor and determine tenant eligibility throughout the 15 year compliance period. For those developments that the Florida Housing Finance Corporation or Federal Program such as Section 202, provides the same monitoring and determination, the City may rely on such monitoring and determination of tenant eligibility.

Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this strategy must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons. The SHIP assisted units in a rental housing project will be occupied only by



households that are eligible as very-low to moderate income families. Maximum monthly rent limits will be those established annually by HUD and distributed by FHFC.

The City of West Palm Beach will establish maximum monthly allowances for utilities and services and will review and approve rents proposed by the owner for units subject to the maximum rent limitations.

The owner cannot refuse to lease SHIP assisted units to a certificate of voucher holder under 24 CFR part 982, Section 8 Tenant-Based Assistance; Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program.

**Default Terms:** Default terms for not meeting program requirements shall be immediate repayment to the City trust account if the developer fails to meet the terms of the deferred payment loan, low interest loan, or fails to meet the program timeline for expenditure or having an eligible applicant occupying eligible housing. Default terms, as described in this section, will also be included in the mortgage and promissory note securing property.

- f. **Recipient Selection Criteria:** For rehabilitated and new construction rental units, assistance will be provided on a first qualified, first served basis. Priority will be given to very low income households, essential service personnel, and elderly and disabled applicants where homeownership is out of reach. However, program will be open to all SHIP eligible persons to create inclusive rental communities.
- g. **Sponsor Selection Criteria:** Request for proposals and competitive procurement process will be utilized to select a sponsor to implement these projects. Characteristics in determining the sponsor may include, but not be limited to:
1. Capacity and capability to carry out project
  2. Experience in completing similar projects
  3. Use of personnel from Wages and Workforce Development programs.
  4. Leveraging.
  5. Site control.
  6. Neighborhood compatibility/Compatibility with Area Redevelopment Plan
  7. Creation of Mixed Income Communities.
  8. Access to transportation network, and infrastructure and utilities to service the sites pursuant to the City's Development Review process.
  9. Attractiveness of design
  10. Multistory buildings must have elevators and be ADA Compliant.
  11. Use of green building techniques
- h. **Additional Information**  
In determining the maximum allowable rents, 30 percent of the applicable income category divided by 12 months shall be used based on the number of bedrooms. A one-person household shall be used for an efficiency unit, and for units with separate



bedrooms, one and one-half persons per bedroom shall be used. Rental units constructed, rehabilitated, or otherwise assisted will be monitored at least annually for 15 years or the term of assistance, whichever is longer, for compliance with tenant income and affordability requirements. A rental limit chart will be provided to the local governments by the Department of Housing and Urban Development and distributed by the Florida Housing Finance Corporation annually.

Eligible sponsors that offer rental housing for sale before 15 years or have remaining mortgages funded under this program must give a first right-of-refusal to eligible not-for-profit organizations for purchase at the current market value for continued occupancy by eligible persons. This shall be done as a "Request for Proposal" administered by the City with the selection procedure as listed above under rental leveraging.

Developers receiving assistance from both SHIP and the Low-Income Rental Housing Tax Credit (LIHTC) Program shall be required to comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from SHIP and other federal, State or local programs shall be required to comply with any requirements specified by the other program in addition to SHIP program requirements. In the event both programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on an issue, the program with a regulation on the issue shall apply.

All other regulatory requirements will be enforced.

#### **Disaster Relief Assistance Strategy:**

##### **a. Summary of the Strategy:**

This strategy provides funds for disaster relief activities following a natural disaster as declared by Executive order of the President of the United States or Governor of the State of Florida. The Program has three components:

- (1) Payment of insurance deductibles for rehabilitation of existing housing units owned and occupied and/or rented by very-low, low and moderate income households,
- (2) Funding for emergency and general repairs and rehabilitation of existing housing units owned and occupied by or rented and/or occupied by very-low, low and moderate income households, and
- (3) Payment of relocation costs (security deposits, rental assistance and other reasonable costs related to relocation) for eligible households.

**a. Fiscal Years Covered:** FY 2012-2013, FY 2013-2014, FY 2014-2015

**b. Income Categories to be served:** Extremely Low, Very Low, Low, and



Moderate

c. **Maximum award** is \$20,000.00 per household.

d. **Terms, Recapture and Default:**

This strategy provides funds in forms of grants or loans based on the following requirement:

(a) All SHIP funds provided to eligible households in the form of a grant and not subject to recapture are dependant on the recipient's income and age. If the recipient is very low, low, senior citizen or disabled then these funds will be a grant and not a loan;

(b) All SHIP funds provided to moderate income eligible households will be in the form of a deferred payment loan at 0% interest for a period of 10 years and are contractually subject to recapture. Should the owner move, vacate, rent or sell the home before the 10 years have passed, the SHIP loan will be immediately due and repayable to the city.

e. **Recipient Selection Criteria:** All applicants for the Disaster Relief Assistance strategy will be screened according to the eligibility criteria established by the SHIP program. Applicants will be drawn on a first qualified and first served basis by income category, with the exception of emergency loan applicants. Applicants who the City of West Palm Beach Housing Inspector has determined to be in a situation of immediate threat to their safety are deemed Emergency Loan Applicants and will be given priority. Properties located in target priority areas where public resources are being focused, are second priority following Emergency Loan Applicants and will be processed as quickly as possible. A listing of the City's target priority areas are posted in the City's Five-Year Consolidated Plan (i.e. LMI Target Areas and Neighborhood Revitalization Areas

f. **Program Income:** All funds returned to the City are considered program income and will be placed in the City's SHIP Trust account.

g. **Leveraging:** The Strategy will be leveraged using HOME and other Federal, State and private funds, along with other SHIP program strategies such as First Time Homebuyer or Rehabilitation programs.



**IV. LHAP INCENTIVE STRATEGIES:** *Section 420.9071(16), F.S.*

On December 12, 2011, the City Commission adopted the Affordable Housing Incentive Plan (AHIP). The Plan was previously reviewed by the City's Affordable Housing Advisory Committee and it provides many incentives for affordable housing opportunities. The following incentives are in place:

**a. *THE PROCESSING OF APPROVALS OF DEVELOPMENT ORDERS OR PERMITS, AS DEFINED IN s. 163.3164(7) AND (8), FOR AFFORDABLE HOUSING PROJECTS IS EXPEDITED TO A GREATER DEGREE THAN OTHER PROJECTS .***

- 1. Pre-planning Review Meetings** – In order to expedite the approvals to the greatest degree possible, affordable housing projects are offered the opportunity for pre-planning meetings to discuss the project and receive input from Housing and Community Development, Planning and Zoning, and Construction Services and other departments that would have review authority of such projects.
- 2. Designate a “point person”**- HCD has designated a Housing Coordinator to facilitate affordable housing projects. The “point person” will work with Planning and Zoning and Construction Services Departments, the Developer and any other necessary review agencies to expedite the project.
- 3. Housing and Community Development’s “Priority Stamp”** – DHCD uses a “Priority Stamp” to apply only to projects that produce or preserve affordable housing (120% of AMI and below). Further any project producing affordable housing (120% of AMI and below) is eligible for expedited processing even if projects do not receive HCD funding. This priority stamp should take precedence over any other requests for expedited processing

**b. *THE MODIFICATION OF IMPACT-FEE REQUIREMENTS, INCLUDING REDUCTION OR WAIVER OF FEES AND ALTERNATIVE METHODS OF FEE PAYMENT FOR AFFORDABLE HOUSING.***

- 1.** The Department of Housing and Community Development (DHCD) continues to administer an affordable housing fee incentive program providing waivers based on the number of units in an affordable housing project and the size of the meter to be installed. Where a development includes both market rate and affordable units, only the affordable units receive the allowance. The cost savings is estimated at \$2250 per unit.

**c. *THE ESTABLISHMENT OF A PROCESS BY WHICH A LOCAL GOVERNMENT CONSIDERS, BEFORE ADOPTION, POLICIES, PROCEDURES, ORDINANCES, REGULATIONS, OR PLAN PROVISIONS THAT INCREASE THE COST OF HOUSING.***

- 1.** The City includes an “Affordable Housing Impact” statement in the Agenda Cover Memorandum (ACM) process which defines for the City commission before adoption,



Policies, Procedures, Ordinances, Regulations, or Plan Provisions that increase the cost of housing. The method is in the same format that the "Fiscal Impact" statement is used.

The ACM is an electronic form that incorporates a check box for the question (Is there an impact on Affordable Housing projects?" If checked "yes" a guidance / policy memorandum from City Administration will be displayed. A drop down menu requires a statement of the impact.

**d. THE PREPARATION OF A PRINTED INVENTORY OF LOCALLY OWNED PUBLIC LANDS SUITABLE FOR AFFORDABLE HOUSING.**

1. The Department of Housing and Community Development maintains a listing of locally owned lands suitable for Affordable Housing.

**V. EXHIBITS:**

- A. Administrative Budget for each fiscal year covered in the Plan. Exhibit A.
- B. Timeline for Encumbrance and Expenditure: *Chapter 67-37.005(6)(d) and (f) F.A.C.*  
A separate timeline for each fiscal year covered in this plan is attached as Exhibit B.  
Program funds will be encumbered by June 30 one year following the end of the applicable state fiscal year. Program funds will be fully expended within 24 months of the end of the applicable State fiscal year.
- C. Housing Delivery Goals Chart (HDGC) For Each Fiscal Year Covered in the Plan:  
Completed HDGC for each fiscal year is attached as Exhibit C.
- D. Certification Page:  
Signed Certification is attached as Exhibit D.
- E. Adopting Resolution:  
Original signed, dated, witnessed or attested adopting resolution is attached as Exhibit E.
- F. Program Information Sheet:  
Completed program information sheet is attached as Exhibit F.
- G. Ordinance:  
If changed from the original ordinance, a copy is attached as Exhibit G.
- H. Interlocal Agreement:  
A copy of the Interlocal Agreement if applicable is attached as Exhibit H. – NONE



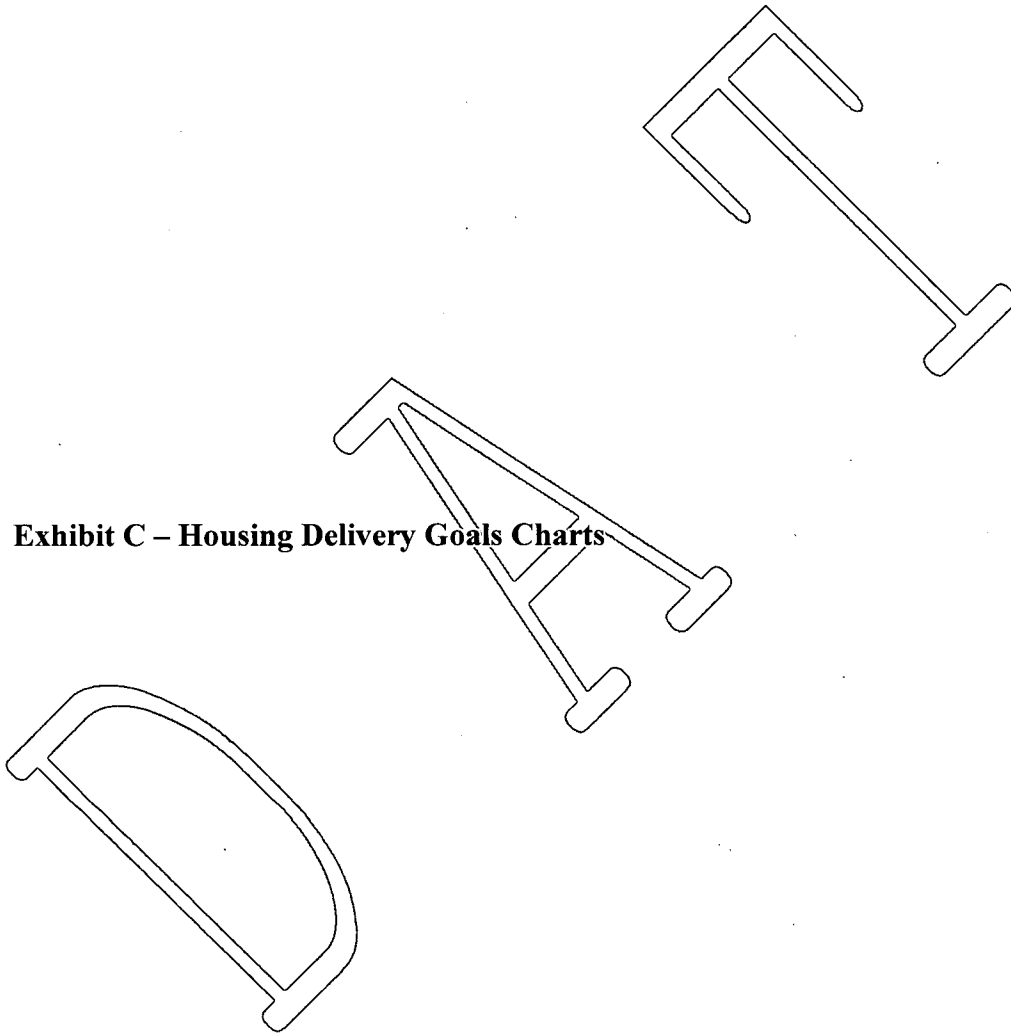
**Exhibit A - ADMINISTRATIVE BUDGET FOR EACH FISCAL YEAR**

<u>FY 2012-2013</u>	
Salaries and Benefits	\$ 69,789.00
Office Supplies and equipment	\$ 15,000.00
Travel Perdiem Workshops, etc.	\$ 4,490.00
Advertising	\$ 8,000.00
	<b>\$ 97,279.00</b>
<u>FY 2013-2014</u>	
Salaries and Benefits	\$ 69,789.00
Office Supplies and equipment	\$ 15,000.00
Travel Perdiem Workshops, etc.	\$ 4,490.00
Advertising	\$ 8,000.00
	<b>\$ 97,279.00</b>
<u>FY 2014-2015</u>	
Salaries and Benefits	\$ 69,789.00
Office Supplies and equipment	\$ 15,000.00
Travel Perdiem Workshops, etc.	\$ 4,490.00
Advertising	\$ 8,000.00
	<b>\$ 97,279.00</b>
Based on a distribution of \$972,789.00	

**Exhibit B – Timelines for Encumbrance and Expenditure**



**Exhibit C – Housing Delivery Goals Charts**





FLORIDA HOUSING FINANCE CORPORATION	Please check applicable box, & if Amendment, enter number
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HOUSING DELIVERY GOALS CHART		X
New Plan:		X

STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2012/2013	Amendment:

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# FLORIDA HOUSING FINANCE CORPORATION

## HOUSING DELIVERY GOALS CHART

### STRATEGIES FOR THE LOCAL HOUSING ASSISTANCE PLAN FOR STATE FISCAL YEAR: 2013/2014

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**TIMETABLE FOR STATE FISCAL YEAR 2012-2013**

Exhibit B

**Name of Local Government: CITY OF WEST PALM BEACH**

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**Directions:** Type in the applicable years across the top line.

List Program Activities down left hand side. Type in an "X"

on applicable activity line under month and year the activity will be initiated or completed.

At a minimum the following activities should be included:

- 1) Advertise availability of funds and application period
- 2) Encumbrance of funds (12 months following end of State Fiscal Year)
- 3) Expenditure of funds (24 months following end of State Fiscal Year).
- 4) Submit Annual Report to FHFC (September 15th)

# WEST PALM BEACH CITY COMMISSION

## Agenda Cover Memorandum

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Contact City Administration / City Clerk's Office for Attachments.

**Originating Department:**

Housing & CD (HCD)

**Agenda Date:**

12/12/2011

**Meeting Type:**

☒ Regular

☐ Special

**Advertised:**

Required?: ☒ Yes ☐ No

Date: 11/07/2011

Paper: PB Post

**ACM#:**

**Subject:**

Resolution No. 319-11 adopting recommendations of the Affordable Housing Advisory Committee.

**Ordinance/Resolution:**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA ACCEPTING RECOMMENDATIONS OF THE AFFORDABLE HOUSING ADVISORY COMMITTEE FOR THE CITY'S AFFORDABLE HOUSING INCENTIVE PLAN; AUTHORIZING IMPLEMENTATION OF THE RECOMMENDATIONS; AUTHORIZING TRANSMITTAL OF THE PLAN TO FLORIDA HOUSING FINANCE CORPORATION; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

**Staff Recommended Motion:**

Approve Resolution No. 319-11.

**Background:**

On July 12, 1993, The City of West Palm Beach passed Ordinance 2651-93 which established a Local Housing Assistance Program pursuant to the State Housing Initiatives Program (SHIP) and provided for the formation of an Affordable Housing Advisory Committee, the Local Housing Assistance Trust fund, and the Affordable Housing Incentive Plan.

The SHIP Program is a State grant program that provides funds to local governments for the creation and preservation of affordable housing opportunities for very low, low and moderate income families. The State receives the funds from a dedicated documentary stamp tax. To be eligible for the SHIP funds, entitlement Cities and Counties must prepare a Local Housing Assistance Plan (LHAP) and submit the Plan to the Florida Housing Finance Corporation for approval. The LHAP is developed for a three year period and sets forth the local strategies and criteria for administering the SHIP funds.

The City has participated in the State program since 1993 and adopted its current Local Housing Assistance plan on April 20, 2009 covering the period July 1, 2009 through June 30, 2012.

In July 2007, the State passed HR Bill 1375 which increased the required number of members of the Affordable Housing Advisory Committee to 11 members from the prior requirement of nine

members. Triennially, the advisory committee is required to review the established policies and procedures, ordinances, land development regulations, and adopted local government comprehensive plan of the appointing local government and recommend specific actions or initiatives to encourage or facilitate affordable housing while protecting the ability of the property to appreciate in value. The recommendations may include the modification or repeal of existing policies, procedures, ordinances, regulations, or plan provisions; the creation of exceptions applicable to affordable housing; or the adoption of new policies, procedures, regulations, ordinances, or plan provisions, including recommendations to amend the local government comprehensive plan and corresponding regulations, ordinances, and other policies.

As required by HR Bill 1375, the Mayor appointed the City's 11 member Affordable Housing Advisory Committee. The committee was charged with reviewing the following incentives:

- (a) The processing of approvals of development orders or permits, as defined in s. 163.3164(7) and (8), for affordable housing projects is expedited to a greater degree than other projects.
- (b) The modification of impact fee requirements, including reduction or waiver of fees and alternative methods of fee payment for affordable housing.
- (c) The Allowance of flexibility in densities for affordable housing.
- (d) The reservation of Infrastructure capacity for housing for very-low income persons, low income persons, and moderate-income persons.
- (e) The allowance of affordable accessory residential units in residential zoning districts.
- (f) The reduction of parking and setback requirements for affordable housing.
- (g) The allowance of flexible lot configurations including zero lot-line configurations for affordable housing.
- (h) The allowance of street requirements for affordable housing.
- (i) The establishment of a process by which a local government considers, before adoption, policies, procedures, ordinances, regulations, or plan provisions that increase the cost of housing.
- (j) The preparation of a printed inventory of locally owned public lands suitable for affordable housing.
- (k) The support of development near transportation hubs and major employment centers and mixed-use developments.

After conducting public meetings, the committee made recommendations on policy, programs and procedures to assist the City in furthering the affordable housing incentives. At the conclusion of the public meetings the committee held a public hearing and adopted an Affordable Housing Incentive Plan (AHIP), which contained its recommendations. Staff requests that the City Commission accept the recommendations, authorize their implementation and authorize the transmittal of the AHIP to Florida Housing Finance Corporation.

#### **Fiscal Note**

Current Year:	Annualized:	Budgeted:	Unbudgeted:	Funding Source:
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**Comment:** No fiscal impact.



Unofficial Attachments: Resolution No. 319-11.doc

Official (executed) documents can be obtained from the City Clerk's Office.

**Department Director/Designee Approval**

Originating Department - Approved by: Valmarie Turner on 11/29/2011

11/30/2011 Finance Department

11/29/2011 City Attorney's Department

*Samuel A. Thomas*

11/30/2011 Asst. City Administrator

*Joseph A. Miller*

12/02/2011 City Administrator

*Edward Huber*

1 attachment



Final Report AHAC.pdf